United States
of America

Congressional Record

PROCEEDINGS AND DEBATES OF THE *105th* CONGRESS, SECOND SESSION

Vol. 144 WASHINGTON, WEDNESDAY, JULY 29, 1998 *No. 104*

House of Representatives

The House met at 10 a.m.

The Chaplain, Rev. James Davis Ford, D.D., offered the following prayer:

Oh, gracious God, Creator of Heaven and Earth, Your word tells us that You are with us wherever we are and Your grace surrounds us and makes us whole. In moments of joy and achievement Your spirit is in our midst and at the darkest hour Your abiding presence gives us sustenance and hope. So teach us, O God, so to live our lives that we celebrate and give thanks for our time together for by so doing we sanctify each hour and make sacred each day. In Your name, we pray. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER. Will the gentleman from Pennsylvania (Mr. PITTS) come forward and lead the House in the Pledge of Allegiance.

Mr. PITTS led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Lundregan, one of its clerks, announced that the Senate had passed with an amendment in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 1151.—An act to amend the Federal Credit Union Act to clarify existing law with regard to the field of membership of Federal credit unions, to preserve the integrity and purpose of Federal credit unions, to enhance supervisory oversight of insured credit unions, and for other purposes.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. The Chair will entertain 15 1-minute requests on each side.

TEACHING YOUNG PEOPLE IMPORTANT LIFE LESSONS

(Mr. SHIMKUS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SHIMKUS. Mr. Speaker, I want to recognize Vergil Fletcher, who spent 32 years teaching young people important life lessons, the value of hard work and fair play. He began an outstanding career coaching basketball in 1946 at Collinsville High School.

Coach Fletcher led the Kahoks to 747 victories, creating an impressive 81 percent winning average. In his 32 seasons coaching, the Collinsville basketball team won two State titles and 20 Southwestern Conference titles, a notable record in anyone's book.

Often referred to as one of the greatest high school coaches of all time, Coach Fletcher won the hearts of players and fans throughout Collinsville. In recognition of his dedication to school and community, he is being honored by the Collinsville High School Alumni Association later next month. All former athletes, cheerleaders and fans of Coach Fletcher are invited, with at least one player from each season he coached expected to attend.

The event is a small gesture to thank a man who affected hundreds of young lives in ways that cannot be measured in win percentages. Thanks, Coach.

THE EXAMPLE OF SUPERB PUBLIC SERVICE: DR. CLARENCE S. LIVINGOOD OF GROSSE POINTE, MICHIGAN

(Ms. KILPATRICK asked and was given permission to address the House for 1 minute and to revise and extend her remarks.

Ms. KILPATRICK. Mr. Speaker, today I rise to pay honor and tribute to Dr. Clarence S. Livingood. He was a prominent physician who began in the Dermatology Department at Henry Ford Hospital; a physician to the Detroit Tigers and, Mr. Speaker, father to our Sergeant at Arms, Wilson Livingood.

Dr. Livingood was a man before his time. He wrote the manual for the U.S. Army. He led in the dermatology life and history as it materialized and grew in our country. Dr. Livingood was a man of honor. He was a leader and a worker and a righteous man as he led and was a department director at Henry Ford Hospital.

Dr. Livingood leaves a wonderful family, our dear Sergeant at Arms. We should also honor Dr. Wilson Livingood as he lost his father just recently in the last few days and stood here with us as we went through our terrible tragedy, as he lost his colleagues and our protectors in these last few days.

Dr. Clarence Livingood will be remembered for his hard work, his dedication and his service to the people of America.

Mr. Speaker, I rise today to pay tribute to a special person, physician, and constituent, Dr. Clarence S. Livingood. Dr. Livingood passed away on July 27, 1998 after a battle with leukemia at his home in Gross Pointe, Michigan. Dr. Livingood was one of the most distinguished and respected physicians in our country, and set standards for training and care for patients who need care in the area of dermatology. The largest organ of the human body is the skin; Dr. Livingood helped to ensure the accurate diagnosis, treatment and

cure of many of the afflictions of our body's first line of defense.

Dr. Livingood was born in Elverson, Pennsylvania, and graduated from Ursinus College in 1932. He began his career in medicine at the University of Pennsylvania's School of Medicine, completing his residency in dermatology at the Hospital of the University of Pennsylvania. Dr. Livingood later served his country in the U.S. Army as part of the Army's Medical Corps, where he co-wrote the Manual of Dermatology. This book is still used by both military and civilian physicians as a guide for the diagnosis and treatment of skin diseases.

Dr. Livingood was widely honored for his skill as a dermatologist. He was elected as Director of the American Board of Dermatology in 1962 and served as the Executive Director of the American Board of Dermatology for more than 20 years. He was Chair and Professor of the Department of Dermatology at Jefferson Medical College Hospital from 1948–1949, Chairman and Professor of the Department of Dermatology at the University of Texas in Galveston from 1949–1953, and established the Department of Dermatology at Henry Ford Hospital in Detroit, Michigan in 1953, serving as its Chairman until 1976, when he became Chairman Emeritus.

Some of the many honors bestowed upon Dr. Livingood include being the only dermatologist to receive the highest honor from the American Medical Association—''The Distinguished Service Award,'' and also received the Gold Medal from the American Academy of Dermatology. He also received World Series rings for serving as the doctor to the Detroit Tigers.

Predeceased by his wife, Louise, Dr. Livingood is survived by his five children, Bill (Mari Louise); Louise (William) Furbush, Susan Elizabeth (John) Cotton; Clarence (Nancy); and eleven grand children and two great grand children. I would be remiss if I did not mention that Dr. Livingood is the father to the Sergeant at Arms of the House of Representatives, Bill Livingood, who continued his excellent service to the protection of Members of Congress, dignitaries and visitors to the People's House despite the tragedy that befell two of his colleagues on July 24, 1998.

Funeral services will be held in Christ Episcopal Church in Grosse Point on Saturday, August 1, 1998. The Livingood Family asks that in lieu of flowers, contributions may be made to the Edward A. Krull Chair of Dermatologic Surgery, Office of Philanthropy, One Ford Place, Detroit, Michigan.

My personal prayers for peace and love go to the Livingood family. Your father served the people of the 15th Congressional District, the State of Michigan, and our country well. May he rest in peace. Amen.

THE WORLD TRADE ORGANIZATION, ERODING THE CHOICES AND RIGHTS OF THE AMERICAN PEOPLE

(Ms. ROS-LEHTINEN asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. ROS-LEHTINEN. Mr. Speaker, for almost 4 years, the World Trade Organization has been eroding the choices and the rights of the American people.

Like a leach feeding off its member countries, the WTO has been increasing its power at the expense of U.S. sovereignty.

Self-determination is now subordinate to the decisions of trade bureaucrats meeting in secret at Geneva headquarters of the WTO, invalidating and mandating changes in existing laws passed by the U.S. Congress and signed by the U.S. President.

Exactly how are the interests of the American people represented by unelected foreign nationals working in an ivory tower debating our commercial agreements?

U.S. priorities should not be held hostage to the decisions of the WTO. I urge my colleagues to support the Kucinich, Sanders, Ros-Lehtinen and Stearns amendment when the Commerce, Justice, State Appropriations bill comes to the floor, because the American people, through their elected representatives, can determine for themselves what our U.S. laws should be and not a foreign bureaucrat.

CABBAGE REGULATIONS EXCEED THE GETTYSBURG ADDRESS IN WORDS

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAFICANT. Mr. Speaker, the Lord's prayer is 66 words. The Gettysburg Address is 286 words. The Declaration of Independence is 1,322 words. U.S. regulations on the sale of cabbage, that is right cabbage, is 27,000 words.

Now that is not enough to give Hulk Hogan's dictionary a hernia. Check this out. Regulatory red tape in America costs taxpayers $400 billion every year, over $4,000 each year, every year, year in, year out, for every family. Beam me up. With regulations like this, it is no wonder American jobs keep moving overseas.

Mr. Speaker, I want to yield back all of the reg writing bureaucrats in Washington, D.C. that never stood in an unemployment line.

PROTECT UNITED STATES FROM NUCLEAR MISSILE ATTACK

(Mr. GIBBONS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GIBBONS. Mr. Speaker, the events of last week simply underscore the fact that we live in a dangerous and unpredictable world.

Not only must America respond to local threats, but we must also continue our vigilance to protect our Nation from foreign threats, threats that strike at the heart of this Nation, our very freedom.

Time after time, we have been told by the administration that no rogue nation is capable of deploying a nuclear tip or chemical missiles that could strike the American soil by the year 2010.

However, the Rumsfeld panel, a distinguished panel which had access to our national security, just released a sobering, independent assessment of the ballistic missile threat facing the U.S.

That panel concluded that North Korea and Iran will have the ability to build a long-range nuclear missile by the turn of the century, not more than 2 years away. Last week's successful intermediate range ballistic test by Iran validates the Rumsfeld panel's finding.

Iran sent a chilling message to their neighbors and the world that they can strike anywhere in the Middle East with their current technology.

The time has come for this Congress and this administration to focus on building and deploying an antimissile defense system to protect the United States from missile attack. Mr. Speaker, the American people deserve no less.

ADOPT-A-VOICE OF CONSCIENCE IN VIETNAM

(Ms. SANCHEZ asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. SANCHEZ. Mr. Speaker, a new struggle has started. It is the war against poverty, backwardness, and arbitrariness. In this new struggle, there can be only one winner, the nation and the people of Vietnam, and only one loser, the forces of dogmatism, arbitrariness, and backwardness. So wrote Professor Doan Viet Hoat in his essay entitled ''The True Nature of Contemporary Vietnam.''

After the article was circulated, he was arrested and sentenced to 20 years in jail for attempting to overthrow the government. Professor Hoat's case is but one of the many similar instances of government persecution in Vietnam.

For these reasons, the founding members of the Congressional Dialogue on Vietnam have established a campaign to bring attention to the human rights violations in Vietnam. We need to generate pressure for the release of all these prisoners from prison or house arrest.

We need to focus public attention on Vietnam's repression against freedom of expression so that it becomes a part of the U.S. policy towards Communist Vietnam.

Mr. Speaker, I urge all of my colleagues to participate in this campaign.

WESTERN SAHARA PRISONERS

(Mr. PITTS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PITTS. Mr. Speaker, last week I spoke on Morocco's refusal to permit removal by the U.N. of millions of land mines in Western Sahara. Today, I rise on behalf of the POWs of both sides of the war between Morocco and the Western Sahara who were captured or

are missing as a result of the 20-year conflict.

I personally visited with 84 Moroccan POW's military personnel who have been freed by Western Sahara as a gesture of goodwill and whom the kingdom of Morocco will not permit to return to their country.

On my visit to the refugee camps, I met with an organization which tracks missing Sahrawis. 526 Sahrawis remain among the disappeared. They are either prisoners held by Morocco or are missing, all held incommunicado by Morocco.

In a country like Morocco, which is a friend of the United States, it is strange to hear reports of such clear violations to fundamental human rights as to not identify POWs and missing people.

I urge the Kingdom of Morocco to reconsider their policy and identify all those held incommunicado as well as accept back their own military which have been freed by Western Sahara.

ONLY ONE PARTY SERIOUS ABOUT EDUCATION REFORM

(Mr. EWING asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. EWING. Mr. Speaker, the truth is now known to the whole world. One party in this body is serious about education reform, and the other is not. On July 21 of this year, President Clinton vetoed Education Savings Account legislation that would have allowed parents to save more for their children's education.

We have here a classic case of special interest politics. The big donor special interests win while the children trapped in dangerous schools lose. What can we say to these children who are in terrible schools who the only thing they demand is to have the opportunity to pursue the American dream?

Many people are able to send their children to private school or live in areas with excellent schools. What are they going to say to these children who do not have the same chance? Maybe that is a question better directed to the administration and to others who failed to back real education reform.

TALK ABOUT EDUCATION REFORM IS NOTHING BUT TALK

(Mr. TIAHRT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TIAHRT. Mr. Speaker, on July 21, President Clinton showed the entire world that all talk about education reform is nothing but talk. The President's veto of the Education Savings Account legislation that passed both Houses of Congress is clear evidence that one party is beholden to special interests who benefit from the status quo.

☐ 1015

Education failure is virtually in every city in America. The liberals accept that failure in our education system year after year after year. The rhetoric is fine and wonderful sounding, repair crumbling schools, spend more money, hire more teachers, but nothing seems to change.

Mr. Speaker, Republicans have a better idea. Republicans believe that accountability and competition in the marketplace produce excellence in the auto industry, in the computer industry, and in manufacturing of consumer goods. Why should education be any different?

If we believe in accountability and if we believe in excellence, not in words but in practice, then I would urge my colleagues to vote to override the President's veto and overcome the status quo by making education savings accounts the law of the land.

THE STATE OF ONTOLOGICAL RAMBLINGS

(Mr. STEARNS asked and was given permission to address the House for 1 minute.)

Mr. STEARNS. Mr. Speaker, the state of disbelief continues to grow in this town the longer Mike McCurry pretends to inform the public of any factual information regarding the investigation of Judge Starr.

His penchant for passing on ill-informed statements to pass as answers to the American people will now be known as ''McCurryism,'' a new word I am coining today. This is a word which means to pretend shock at the suggestion of impropriety by a reporter's question and then answer that question with nothing but pure spin.

For instance, a McCurryism from January 21, 1998: ''The President is outraged by these allegations. He has never had any improper relationship with this woman. He has made it clear from the beginning that he wants people to tell the truth on all matters.''

Another McCurryism from yesterday: ''I can only report what I can ontologically know.''

Well, Mr. McCurry, no amount of metaphysical existentialism can pass as answer to the question: What exactly was the nature of the relationship with the President and one of his female interns?

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. DICKEY). The gentleman should avoid personal references to the President.

SOCIAL SECURITY

(Mr. SMITH of Michigan asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SMITH of Michigan. Mr. Speaker, I want to talk about Social Security.

Mr. Speaker, when I first came here 5½ years ago, we were not only borrowing a great deal from the Social Security Trust Fund, but we had an additional deficit spending that approached $300 billion.

Now, this year, we are not only going to have a zero deficit under the traditional way that we calculated deficit spending, but this year, if we have just a little bit of luck, we are going to have a real balanced budget. That means that we may have balance not considering the $80 billion that government is borrowing from the Social Security Trust Fund. This is one of the best years in the history of this country in terms of revenues exceeding expenditures. This year we might exceed $80 billion in terms of the unified budget. That means a real, honest balanced budget without the Social Security surplus.

I think it is very important that in the future we start changing the way that we do business. We stop fooling people, we stop borrowing from the Social Security Trust Fund, and consider that revenue as a way to mask the deficit. A real balanced budget is when we reach balance, not including that amount borrowed from the trust fund. My bill HR 4033 does that and I invite my colleagues to co-sponsor.

REAL EDUCATION REFORM FOR AMERICANS

(Mr. PAPPAS asked and was given permission to address the House for 1 minute.)

Mr. PAPPAS. Mr. Speaker, on July 21, the President vetoed a bill that would have helped millions of American families save for the education needs of their children. I would like to invite my colleagues on the other side to listen carefully, because this issue crystallizes beautifully the differences between the two parties.

I said that the bill that the President vetoed would have helped ''millions of American families.'' We make no reference to the income of families because the bill would help all families save, rich or poor. The President and the Democrats, of course, on this and other issues, immediately turned the issue into a class warfare issue, and if a single family of wealth would benefit, brand the bill as a tax break for the wealthy.

The Democrats cannot, on principle, support a bill that will help families, families plain and simple, even if millions of middle class and poor families would benefit, because the idea that a wealthy family might also benefit is simply unacceptable. Children of middle class parents will be the losers and real education reform will continue to be nothing more than class warfare rhetoric.

SUNDRY MESSAGES FROM THE PRESIDENT

Sundry messages in writing from the President of the United States were

communicated to the House by Mr. Sherman Williams, one of his secretaries.

CONFERENCE REPORT ON H.R. 629, TEXAS LOW-LEVEL RADIOACTIVE WASTE DISPOSAL COMPACT CONSENT ACT

The SPEAKER pro tempore. Before recognizing the gentlewoman, the Chair would like to wish her a happy birthday.

Ms. PRYCE of Ohio. Mr. Speaker, that is very kind. I appreciate that.

Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 511 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 511

Resolved, That upon adoption of this resolution it shall be in order to consider the conference report to accompany the bill (H.R. 629) to grant the consent of the Congress to the Texas Low-Level Radioactive Waste Disposal Compact. All points of order against the conference report and against its consideration are waived.

The SPEAKER pro tempore. The gentlewoman from Ohio (Ms. PRYCE) is recognized for 1 hour.

Ms. PRYCE of Ohio. Mr. Speaker, for the purpose of debate only, I yield the customary 30 minutes to the gentlewoman from New York (Ms. SLAUGHTER), my good friend and colleague, pending which I yield myself such time as I may consume. During consideration of this resolution, all time yielded is for the purpose of debate only.

GENERAL LEAVE

Ms. PRYCE of Ohio. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on this resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Ohio?

There was no objection.

Ms. PRYCE of Ohio. Mr. Speaker, on Tuesday, July 28, the Committee on Rules met and granted a rule to provide for the consideration of the conference report accompanying H.R. 629, the Texas low-level Radioactive Waste Disposal Compact Consent Act. The rule waives all points of order against the conference report and against its consideration.

Mr. Speaker, in 1980, Congress passed legislation to provide a system for States to take responsibility for the disposal of low-level radioactive waste. Examples of low-level radioactive waste include that which is disposed of by hospitals, universities conducting research, and by electric utilities. This waste poses relatively few risks and typically does not require any special protective shielding to make it safe for workers and communities.

When it passed the Low-Level Radioactive Waste Policy Act of 1980, Congress recognized that, while the Federal Government should handle high-level waste, that States should be primarily responsible for disposal of the low-level waste generated within their own borders. Through the 1980 act, Congress encouraged States to either build their own disposal sites or enter into compacts with other States to share waste disposal facilities. That is exactly what the States of Texas, Vermont and Maine have done.

Mr. Speaker, on October 7, 1997, this body considered and passed H.R. 629 by an overwhelming vote of 309 to 107. During its initial consideration in this body, an amendment was accepted to limit the compact disposal facility to accept waste solely from the States of Texas, Maine and Vermont. This amendment was accepted on the condition that the affected States would be consulted as to the impact such a limitation would have on their ability to effectively implement the compact.

The conferees concluded, after consultation with the affected States, that the limiting language would not be in the best interests of the compact. The additional language would present serious questions regarding the need for reratification, and it would lead to costly litigation, and it would create an uneven playing field within the compact system. In addition, such a limitation would create a possible infringement on State sovereignty.

Compacts are contractual agreements between the States, as required by Congress. In fact, Congress has historically ratified them without amendments. This rule will provide for the consideration of a clean bill that deals with a straightforward process, the ratification of an interstate compact under the 1980 law, as Congress intended.

Once again, it is important to point out that the States of Texas, Maine and Vermont have done their job. They have negotiated a compact between them to provide for the responsible disposal of low-level radioactive waste and submitted it to this body as required under Federal statute, for the consent of the Congress. That is exactly what this conference report will allow us to do: tell the States of Texas, Maine and Vermont whether or not we accept their mutual agreement.

As I have stated before, Congress has already given its consent to nine such compacts covering 41 States. This conference report will ratify compact number 10.

This conference report has the strong support of the governors of the member States as well as the National Governors Association, the Western Governors Association, the National Conference of State Legislatures, and the Nuclear Regulatory Commission.

Mr. Speaker, as we heard during the testimony in the Committee on Rules, this issue has been around for a long time. Adoption of this rule and the conference report will finally allow the States of Texas, Maine and Vermont to see light at the end of the tunnel.

Therefore, I encourage my colleagues to support the rule so that we may consider the conference report on H.R. 629. I urge a ''yes'' vote on this rule.

Mr. Speaker, I reserve the balance of my time.

(Ms. SLAUGHTER asked and was given permission to revise and extend her remarks.)

Ms. SLAUGHTER. Mr. Speaker, I yield myself such time as I may consume. I thank the gentlewoman for yielding, and also wish her a happy birthday.

Mr. Speaker, H. Res. 511 waives all points of order against the conference report on H.R. 629 and against its consideration. This conference agreement would grant congressional consent to an interstate compact among the States of Texas, Maine and Vermont providing for the disposal of low-level radioactive waste.

Mr. Speaker, conference reports are normally privileged and do not require rules for their consideration on the House floor. Why does this report require a rule?

The answer is that the conferees chose to delete from the conference report certain provisions included in both the Senate and House bills. This is a violation of clause 3 of rule XXVIII that requires conference reports to be within the scope of the disagreements submitted to the conference committee. In other words, despite the fact that both bills contain similar provisions, the conference report did not include those provisions.

Under clause 6(f) of rule X, conferees shall ''include the principal proponents of the major provisions of the bill as it passed the House.''

□ 1030

This provision is designed to ensure that the House conferees fight for the provisions of the House bill. However, in this case, a conferee testified at the Committee on Rules that he checked with the Governor of Texas and followed his wishes, rather than the expressed will of the House. Apparently neither the House nor the Senate conferees fought for the provisions in each of their bills that the conference report deleted.

As we all know, conference committees have enormous power to shape legislation. The only checks on that power are the handful of points of order that individual Members can raise against the consideration of the conference report.

Under the rules of this House, a single Member can make a point of order against this conference report because it eliminated the provisions contained in the House and Senate versions. But the rule we are now considering prohibits that point of order from being raised. The proposed rule prohibits Members from exercising the protections expressly included in the House rules for the situation.

I am not taking a position on the deleted material nor on the conference report itself. However, I have to ask Members, particularly the vast majority of us who do not serve on conference committees, to not lightly

waive their rights to challenge conference reports.

Today's provision that the conference committee discarded may not be important to some Members, but waiving this point of order makes it easier to waive it the next time, and further erodes protections afforded every Member by House rules. Next time a Member might be the champion of a provision included in both the House and Senate bills through his or her strenuous efforts, but then would see it discarded by the conference committee.

Mr. Speaker, I ask that my colleagues defeat the rule in order to uphold their own rights as guaranteed in the House rules.

Mr. Speaker, I reserve the balance of my time.

Ms. PRYCE of Ohio. Mr. Speaker, I yield 1 minute to the gentleman from Texas (Mr. HENRY BONILLA).

Mr. BONILLA. Mr. Speaker, I thank the gentlewoman from Ohio for yielding time to me.

Mr. Speaker, I rise to oppose this rule. I realize that the majority on the Committee on Rules always tries to do their utmost to provide this body with the fairest of rules possible. In fact, this is a fair rule, considering the parliamentary needs that are required to consider this legislation.

But I hope that the Members understand that I am going to oppose this rule because I am doing everying I possibly can to defeat this legislation, because this legislation is about something happening in my congressional district.

This is the same legislation that was overwhelmingly defeated in the 104th Congress by an overwhelming vote of 243 to 176 against. This is about allowing a low-level dump site of nuclear waste to be constructed in one of the poorest areas of the country that falls in the heart of my congressional district. So honestly, it does not matter what kind of rule was granted, because my constituents and I think this legislation is beyond repair.

There are other developments that have occurred in this that have indicated it is dangerous to the environment in my congressional area. I will bring those up later, but at this point I would just like to advise my colleagues I oppose this rule.

Ms. SLAUGHTER. Mr. Speaker, I yield 9 minutes to the gentleman from Texas (Mr. DOGGETT).

Mr. DOGGETT. Mr. Speaker, I thank the gentlewoman for yielding time to me.

Mr. Speaker, as the gentlewoman from New York has pointed out quite eloquently, regardless of one's position on the merits of this compact, the rules of the House have been violated and the instructions of the Senate and of the House have been disregarded.

When this measure went to the conference committee, there were guarantees to protect the folks in Texas, that they would not be taking waste from States other than Maine and Vermont. There were guarantees that the people, the poor people of the Sierra Blanca area in the district of the gentleman from Texas (Mr. BONILLA), would have some rights and remedies if their interests were abused, as they surely will be if this waste site is located in Sierra Blanca. But this is more than a matter of abuse of the rules of the House and the Senate and of parliamentary procedure and insider talk.

I would suggest to my colleagues that anyone who has come to Texas has learned that one of the great qualities of our entire State is something called Texas hospitality. If you choose to visit our State, you will get more than just a pleasant ''Howdy,'' you will get nods and smiles, and ''How are you doing,'' from folks that do not even like you down there.

We believe in genuine hospitality. It is a warm State in more than the temperature at this time, and those of us who grew up in Texas take a special pride in that Texas hospitality.

But a very good and rare quality is being taken just a little too far when it comes to this compact, because there are those in Texas who basically are saying, ''Send us your radioactive garbage.'' Unfortunately, at the top of the list is our Governor, George W. Bush.

It seems to me that the slogan that one can find on one pickup truck after another around Texas, and even a few other vehicles, ''Don't mess with Texas,'' is being converted by that administration into another slogan, ''Send us your mess; and in particular, send us your nuclear mess.''

Governor Bush and other Statewide officials in Texas mostly have become largely silent on what is to become a nuclear waste dumping ground for this entire country, and that is the Sierra Blanca waste dump site in far West Texas.

On April 19 Governor Bush was quoted in the Houston Chronicle with some very positive comments about the issue that this conference committee has now dumped. He said, ''My pledge is to make sure that those are the only two States beside our own to use this dump site.'' I was very encouraged by his comments, though he had been largely silent.

Then I learned that within only a few days of that comment in Texas, that Governor Bush signed a letter on April 22 of 1998, within the same week, in which he urged the conferees to end the provisions that would provide the very protection that in Texas he said he was for.

He was quoted the other day down in Brownsville as saying that he believed that this concept of limiting the dump to Texas, Vermont, and Maine, two small New England States sending a minimum amount of radioactive poisonous content to Texas, was such a good idea that he would be willing to write a State law to deal with this issue. The only problem is that if you have signed a compact ratified by Congress that provides otherwise, how are you going to write a State law?

If it is such a good idea in Texas and Brownsville and in Houston to limit the nuclear radioactive garbage that is about to be dumped in the pay toilet out in West Texas, if it is such a good idea to write a State law, then why not speak up vigorously for what has been done by the United States Senate and the United States House, and that is to write it into Federal law that we were limiting that amount of garbage that will come to Texas, not to the world but to those two small New England States, which was the original justification for having this compact?

We cannot have it both ways. Either we are in favor of protecting the people of Texas, as the Houston Chronicle called for yesterday in an editorial, we are either in favor of protecting the people of Texas, or we are in favor of extending that Texas hospitality a little too far and saying to the people of the United States, wherever they are, all of them who are in States who, since 1980, have not been able to get a single licensing agreement for a radioactive waste garbage site, ''We are sorry you had problems, but we in Texas love having nuclear radioactive garbage from all over the country, and send it down to the poor people of Sierra Blanca. Send it to the good people, send all your nuclear garbage to the good people of Sierra Blanca down in the district of the gentleman from Texas (Mr. BONILLA), on the edge of the district of the gentleman from Texas (Mr. REYES), because they love to have your garbage.''

I want to tell the Members that the folks of that area do not want the nuclear garbage, and neither do many people across the State of Texas. The more they learn about the dangers of this dump site, the less they are going to want it.

There is a significant question here about why this particular site was chosen in the first place. I understand, and I am sure Members will hear that, oh, no, this does not have anything to do with the selection of a particular site. We are just going to arrange for all the garbage from around the country to roll into Texas. There is no guarantee it is going to go to Sierra Blanca.

Indeed, some administrative law judges in Texas have recently questioned the Sierra Blanca site. The Sierra Blanca site was not chosen because it was the best place in the United States to locate nuclear garbage, or even the best place in the State of Texas. It was not chosen because it happens to be near a fault that recently had an earthquake and has had tremors, and might well expose this nuclear waste to flowing down the Rio Grande River, since it is so near the Rio Grande, poisoning the water supply for literally millions of people on both sides of the Rio Grande River.

It was not chosen for those reasons. It was chosen because it was perceived that the people of Sierra Blanca lack

the political power to be able to do something to protect their neighborhood; that it was okay to take this garbage from across the United States and put it into a poor neighborhood that would not be able to resist.

That is just not my comment on it. I turn to the comments of some two Texas A&M professors, employed by who actually promote this dump. This is in an article that appeared in the Texas Observer on October 24 of last year.

They said, ''The findings of this survey suggest that a broad-based public information campaign designed to familiarize the general public with all aspects of waste disposal siting might prove detrimental. A preferred methodology might be to develop public information campaigns targeted at specific populations. One population that might benefit from such a campaign is Hispanics. This group is the least informed of all segments of the population. The authorities should be aware, however, that increasing the level of knowledge of Hispanics may simply increase opposition to the site.''

And indeed, that is exactly what has happened. The more that particularly the heavily Hispanic population of West Texas has learned about the dangers of this dump site, the more they have questioned it.

Indeed, the more people of any ethnic origin in Texas, including, I am sure, the readers yesterday of the Houston Chronicle, learned that this is about to become a dump site for garbage from all over the country, the more they are going to resist the idea, and say, ''We still like the sign that we see on the bumper stickers on the back of pickup trucks all over Texas: ''Don't mess with Texas.'' Don't send us your nuclear garbage.

Another phony argument that the supporters of this compact advance is that if we do not have this dump site, we are going to practically end medical and academic and industrial research in this country.

Ninety-nine, to be charitable to the supporters of this dump, 98 percent of the garbage that is going to be dumped here does not have anything to do with medical, academic, or even industrial research. Most of this garbage is coming out of decommissioned nuclear power plants.

It may well be that some with Maine Yankee Power think they can cut a better deal to put it somewhere else, and then assign their rights to others who have nuclear garbage around the country. That is why this provision is so anti-Texas, and why it is so strange that, as we gather here today, despite a vote of the United States Senate and of the United States House in favor of limiting this dump to Texas, Vermont, and Maine, that the conference committee has taken that protection off, that it has removed the protection to the people of Sierra Blanca and the surrounding area that Senator WELLSTONE put in, and why this rule should be rejected.

Ms. PRYCE of Ohio. Mr. Speaker, I am pleased to yield 5 minutes to the gentleman from Colorado (Mr. DAN SCHAEFER), the chairman of the Subcommittee on Energy and Power.

Mr. DAN SCHAEFER of Colorado. Mr. Speaker, I thank the gentlewoman very much for yielding time to me.

Mr. Speaker, I stand today in support of House Joint Resolution 511. This is a rule providing, as we all know, for the consideration of the conference report to accompany H.R. 629, the Texas Low-Level Radioactive Waste Compact Consent Act.

This important legislation, of course, would grant the consent of Congress to the States of Texas, Maine, and Vermont to enter into a compact for the disposal of low-level, low-level radioactive waste. I might say that nine other States have already done this. This would be the 10th State to do it.

The rule waives all points of order against consideration of this report. This is necessary for the House to consider a clean, clean compact bill as the conferees have recommended.

During the consideration in the House, an amendment was adopted which restricts the Texas compact to accept waste solely from Texas, Maine, and Vermont. Now, this language was accepted on one condition. That is that we have a chance to consult with the Governors of the three affected States regarding its impact on the ability to implement the compact.

The consultations were emphatic. All three Governors, all three Governors, opposed the amendment adopted by the House. The opposition was not limited to these three States. The National Governors Association, the Western Governors Association, the National Conference of State Legislators all contacted us in opposition to the House-passed language.

The Low-level Radioactive Waste Policy Act passed by Congress in 1980, 1980, provided the States with great latitude in implementing its requirements.

□ 1045

It was not the intention of Congress to create a prescriptive idea for the States to adopt. In considering H.R. 629, the States have reminded us of this fact. The action to eliminate the provision which requires us to seek this rule is a necessary one to preserve the flexibility of the States. And I say to the States, we want States' rights in implementing not only the Texas compact but the administration of the entire compact system.

All eight conferees, both Republicans and Democrats, House and Senate, agreed that this was a proper course of action. The States of Texas, Maine, and Vermont have fulfilled their responsibilities. They have negotiated a disposal contract between themselves and have presented it to Congress for our consent. This is a very good rule. It will allow the House to do the right thing for the States of Texas, Maine, and Vermont.

Mr. Speaker, I urge support for the rule.

Mr. HALL of Texas. Mr. Speaker, will the gentleman yield?

Mr. DAN SCHAEFER of Colorado. I yield to the gentleman from Texas, one of the cosponsors of the bill.

Mr. HALL of Texas. Mr. Speaker, I will be brief because I know we have a long way to go today.

Notwithstanding my great respect for the gentleman from Travis County, Texas (Mr. DOGGETT), I opposed his amendment on the floor here. But the gentleman from Texas (Mr. BARTON) and others of us got together and I think we thought, not hysterically but from the standpoint of reason, it was the easiest way to deal with it, to send it on to conference and we could work it out.

Mr. Speaker, we tried to do that, and we have been unsuccessful in working it out with the gentleman from Texas (Mr. DOGGETT). We have carried out our part of the bargain. We sought the views of the governors; and, yes, we sought the views of Governor Bush, our governor, my governor, the governor of the State of Texas and the governors of the other two States. They oppose the Doggett amendment, and under these circumstances I fully support the conference report and the rule requested by the chairman.

We will get a chance to talk about a lot of these things that the gentleman from Texas (Mr. DOGGETT) set out later today, because we have other phases of it. But Texas is not about to get all the garbage. I think it is everyone's knowledge that there is a limitation on the amount that can come. I think it is 1.8 million cubic feet. Of that, only 20 percent of that can come from the other States. There is not going to be a trainload and a truckload and an airplane load and a pickup truckload of garbage coming into Texas from all areas. It is relegated to that amount from those two States.

That is the reason Congress passed this act to start with, to give States an opportunity to bind together to work out a situation to where they can put their low-level waste. That has happened and it has not been a one-way street. We have had hearings, public hearings. The three governors have had speeches and all over the State.

We have debated this three or four or five times here on the floor, I think. It is just common knowledge that this is the ninth or tenth such program that Congress provided for. We followed that rule to the extent of the law, and we think that this rule ought to be granted.

Ms. SLAUGHTER. Mr. Speaker, I yield 3 minutes to the gentleman from Texas (Mr. EDWARDS).

Mr. EDWARDS. Mr. Speaker, it would be convenient if we lived in a country and a world that had no low-level nuclear waste. We would all like that. But we do not have the luxury of enjoying that convenience, because that is simply not the real world in which we exist.

The fact is that, from hospitals to medical offices to dental offices, we have low-level nuclear waste. The question today is not are we going to have it or what amount are we going to have; the question is what to do with it. And that is exactly the question this Congress considered in 1985 when it passed the Low-Level Radioactive Waste Policy Amendments Act.

In this act, Congress' intent was to give States the authority to work together so that we could provide sites for the location of low-level nuclear waste, so that we could encourage management of low-level nuclear waste, so that we do not have literally thousands and thousands of sites, perhaps unsafe, low-level waste in utility companies' arenas and the back doors of hospitals all across this country. There was a reason why this Congress passed that compact and the reason is it was supported by the American people at that time.

Since then, there has been a good reason why 42 States have chosen voluntarily to participate in this process of safely and smartly managing the inventory of low-level waste.

Today, those of us from Texas that support this, and let me point out for the record, despite my good friends, whom I greatly respect, the gentleman from Texas (Mr. BONILLA), the gentleman from Texas (Mr. DOGGETT) and the gentleman from Texas (Mr. REYES), despite their opposition, the majority of the members of the Texas delegation here in the House support this compact.

Republican Governor George Bush supports it. Democratic Governor Ann Richards at the time she was governor of Texas supported it. This is a compact that 42 other States have had the right to participate in since the passage of the original bill in 1985.

Today Texas, Maine, and Vermont are not asking for anything special. We are just asking other delegations to respect our right to do what they chose to do under the 1985 law.

Late last year, Mr. Speaker, the House overwhelmingly passed H.R. 629, and the Senate passed it without objection. I believe it is time to put this issue to rest. It is time to vote on H.R. 629 so we can finally resolve the question of how to effectively manage low-level waste in our three particular States.

Mr. Speaker, we gave the States responsibility to handle this waste and, as I have said, the governors have negotiated an interstate compact which comports with our policy and all three legislatures overwhelmingly approved that compact.

Now, the opponents to this bill, and they have legitimate reasons and I respect their concerns and their reasons for opposition, but they want, in many cases want to change Federal policy regarding low-level radioactive waste. They want Congress involved in individual States' decision.

Mr. Speaker, I urge support of this rule and urge passage of the bill.

Ms. PRYCE of Ohio. Mr. Speaker, I reserve the balance of my time.

Ms. SLAUGHTER. Mr. Speaker, I yield 2 minutes to the gentleman from Maine (Mr. ALLEN).

Mr. ALLEN. Mr. Speaker, I thank the gentlewoman from New York (Ms. SLAUGHTER) for yielding me this time.

Mr. Speaker, I rise today to urge support of this particular rule. This matter, as the gentleman from Texas (Mr. EDWARDS) just said, has come before this House now on several occasions and all we are asking is to give the citizens of Texas, Vermont, and Maine a chance to enter into an agreement to dispose of their low-level nuclear waste in a way that makes sense.

I would say this, the reason that it is important to do this without any amendment is that an amendment means delay. The agreement that was reached in Maine, it was adopted by referendum of all the people. Then it went to the State legislature. In both Vermont and Texas, it has the support of the legislature and the governors of those States. This is a matter that has come to us with unanimous approval of the State bodies that have jurisdiction over this particular issue.

Mr. Speaker, all we are asking is to get it through and allow us to dispose of our low-level radioactive waste in a way that makes sense.

The gentleman from Texas (Mr. HALL) was reminding those from that State that they are not going to see a flood of low-level radioactive waste from Maine and Vermont, and that is accurate. We are not generating low-level radioactive waste at such a level that it should be a burden. But we are committed to help pay for this facility. We are sharing in the cost of this. For that reason, what I am asking all Members to do today is respect what these three States have accomplished, support the rule, and I urge passage of the underlying bill.

Ms. PRYCE of Ohio. Mr. Speaker, I continue to reserve the balance of my time.

Ms. SLAUGHTER. Mr. Speaker, I yield 8 minutes to the gentleman from Texas (Mr. REYES).

Mr. REYES. Mr. Speaker, I thank the gentlewoman from New York (Ms. SLAUGHTER) for yielding me this time.

Mr. Speaker, I rise today in strong opposition to this rule. I am here again today to ask that this body do the right thing for the people of West Texas. The conference report on H.R. 629, the Texas Low-Level Radioactive Waste Disposal Act, is in my opinion and in the opinion of others, including those people that live in West Texas, an affront to all of us and to those of us that represent them in this body.

This conference report strips a key provision from the bill that both the House and the Senate had adopted. Unlike both the House- and Senate-passed measures, the conference report does not include a provision that would restrict waste at the selected site to the States of Texas, Maine, and Vermont.

I ask, how can this House in good conscience vote to waive all points of order against this report?

Mr. Speaker, this is my first term, but as I heard and as I understand the comments of the gentlewoman from New York, this is a highly unusual way to bring back a conference report for a vote.

I think that it is clear that the provisions that were both on the Senate and the House side were, to use an old West Texan term, finagled off in a highly unusual maneuver in requiring a rule on a simple conference report. I think that is wrong and I think that the people of West Texas deserve better treatment by this House than they have received on this.

By voting for the conference report, my colleagues are saying to all the Members of this House that it is okay to ignore the will of this body, that it is okay for eight conferees to ignore the rest of all of the senators and representatives that represent the people throughout this country.

Members should vote against this conference report because the conferees violated the scope of their authority. That I think is very clear. We should not let this House vote on a bill that ignores the will of both the House and the Senate. I am sure that without this key provision, which is the Doggett amendment which would restrict nuclear waste to Texas, Maine, and Vermont under H.R. 629, that bill would never have passed in the Senate.

Mr. Speaker, I ask my colleagues to defeat this rule and send this bill back to conference where it belongs. Let us all together today send a strong message that the conferees cannot and should not ignore the will of the House and the Senate. I urge all of my colleagues to vote against this rule.

Mr. DOGGETT. Mr. Speaker, will the gentleman yield?

Mr. REYES. I yield to the gentleman from Texas.

Mr. DOGGETT. Mr. Speaker, it is my understanding that the States of Michigan, New Hampshire, New York, Massachusetts, Connecticut and New Jersey are not a part of the compact at present. My question is, are there not a number of very large States with a significant amount of potential to generate nuclear garbage, specifically Michigan, New Hampshire, New York, Massachusetts, Connecticut and New Jersey, that do not have a compact partner right now and would love to send their garbage down to Sierra Blanca?

Mr. REYES. Mr. Speaker, that is correct.

Mr. DOGGETT. Mr. Speaker, if the gentleman would continue to yield, indeed, did not the former governor of Connecticut already inquire and try to become associated with this compact?

Mr. REYES. Mr. Speaker, as a point of reference, that is one of the major concerns that we have. That once the site is in place, it will become a profit-generating venture that would accept

waste material not only from Texas, Maine, and Vermont but literally from throughout the country.

Mr. DOGGETT. Mr. Speaker, without the amendment that this House and the Senate approved, there is absolutely nothing to keep a group of unelected commissioners, appointed by the same governors who may have said, as in our case, one thing in Texas and another thing up here in Washington about this compact, from taking that nuclear waste from any of those States; or maybe some of the ones that are in compacts already but are part of those compacts that have been unable to get a licensing agreement since way back in 1980, almost 20 years ago?

Mr. REYES. That is correct. And the potential exists that this waste disposal site in Sierra Blanca, Texas, could conceivably become the only site where nuclear waste could be disposed of and could be stored. That is a very real concern for those of us that live in West Texas.

□ 1100

Mr. DOGGETT. Mr. Speaker, if the gentleman will continue to yield, and then I noticed an editorial in my hometown paper, the Austin American Statesman, back in April that was entitled, ''Okay, If You Must, Keep It As Just Three.''

It concludes, if a three-State compact really means just three, no one should fear putting that into law. It is the very least that can be done to reassure Texans they are not getting suckered.

I want to ask the gentleman if he feels that the people of Sierra Blanca and west Texas will be suckered if this kind of proposal without the three-State limitation is approved.

Mr. REYES. Absolutely. That is a very real concern that all of us have about this site that is scheduled to be into Sierra Blanca.

Mr. DOGGETT. Mr. Speaker, I know the gentleman is familiar with the terms of some of the other compacts that have been approved in the country for other States. We have heard so much about this Congress approving other compacts.

Is it not true that some of those other compacts have provided representation for the very county and the very region where the regional facility would be located and that this particular compact does not give the people of El Paso or Sierra Blanca or Van Horn or Pecos or any of the area affected or any of the places through which that waste might be moved like Austin, Texas, they do not get any representation guaranteed in this compact agreement, do they?

Mr. REYES. They do not. And therein lies the liability, not just for the people of Sierra Blanca, not just for those of us who live in west Texas, but literally for communities throughout this country that this waste material would be transported through to get to Sierra Blanca.

Mr. HALL of Texas. Mr. Speaker, will the gentleman yield?

Mr. REYES. I yield to the gentleman from Texas.

Mr. HALL of Texas. Mr. Speaker, the gentleman has listed the three States that embody this agreement and he has listed five other major States that would like to send their low-level waste to Texas. I would like to add the other 44 States that would probably like to send their low-level waste to wherever they want to send it. When the gentleman says there is no way to keep them from it, I know that he is aware of the application, he is aware that the application limits it to 1.8 million cubic feet, and that only 20 percent of that can come from the other two States. It does not allocate any to come from all the States the gentleman has named, nor the other 44.

Mr. DOGGETT. Mr. Speaker, if the gentleman will continue to yield, I am aware of the limitation and the application starting this out. But we are approving a compact that is to last for the ages. My concern is that, as the gentleman just pointed out, and I could not agree with him more, that all 50 States would like to send their garbage to Texas. My guess is that with the kind of hospitality that they are being shown by Governor Bush and others who have been even more silent than he has, that they will all have a chance to put Sierra Blanca on the map.

It is a small place, heavily Hispanic, very poor. It is one of those places you can drive through and hardly know you have been through it when you are going down I–10 on the way to El Paso. It is going to be a point on the dot that they know about in Alaska and Vermont and Michigan and New York and all over this country, because it is going to be send your nuclear garbage there. Get a little bit in there now and a whole lot later when we amend the application.

Ms. PRYCE of Ohio. Mr. Speaker, I yield 1 minute to the gentleman from Texas (Mr. BARTON), a member of the Committee on Commerce.

(Mr. BARTON of Texas asked and was given permission to revise and extend his remarks.)

Mr. BARTON of Texas. Mr. Speaker, I rise in support of the rule to govern floor debate on the conference report on H.R. 629.

It passed the House 309 to 107 earlier this year. It is a good piece of legislation. It authorizes three States, Texas, Vermont and Maine, to enter into a compact to accept low-level nuclear waste. I think some of the rhetoric we have already heard in the rule debate is hotter than the waste that is going to be in this site when it is constructed. I think we ought to pass the conference report and let the three States go on about their business like we have already let 42 other States.

Ms. SLAUGHTER. Mr. Speaker, I yield 3 minutes to the gentleman from Texas (Mr. GREEN).

Mr. GREEN. Mr. Speaker, I thank my colleague on the Committee on Rules for allowing me to speak today.

As she mentioned, now we can hear the rest of the story. I rise in support of the rule and support of the conference committee report.

Let me give the Members who are here on the floor and also in their offices and who are watching a little history about this compact. I think they have heard it over the last few years because I was in the State Senate in 1991, when we actually passed an interstate compact with Texas and Vermont and Maine, because under the interstate commerce clause, without a compact, if this site is built, whether it is in Sierra Blanca or anywhere else, it will be required to take waste from every State in the Union.

I think my colleague, the gentleman from Texas (Mr. HALL) pointed that out. All 44 other States would like to send it here or 46, after we get other than what is in the compact. So if this site is going to be built without a compact, it would have to accept it from everywhere.

Again, we did not pick the site, either in the legislature or here on the floor of this Congress. The site was selected by the folks in Texas which is what the intent was. It was not supposed to be by those of us who serve in Congress or in the legislature, because in Texas the legislature meets every 2 years whether they have to or not. It was selected by people who have the expertise to select sites, and they looked at sites in south Texas and west Texas, and they picked Sierra Blanca.

If it was my choice, I would not pick Sierra Blanca, because we have another site in Texas who may not be at the same level now in the application process who actually wants it. But that is not our decision on this floor and that is not the decision on the floor of the State legislature. It is a decision by the experts and the people that the State hires in their regulatory agencies to make that decision. So that is why this bill is so important. If we are going to have that site, then the compact, just like the other compacts, is important that we ratify it here.

The Low-Level Radioactive Waste Policy Amendments of 1985 established where States could develop compacts. Texas, under a former governor, not Governor Bush but Governor Ann Richards, worked out an agreement with Maine and Vermont to have this so Texas could limit our exposure. Again, we do not want to be the waste site for the Nation or the world, but we recognize the responsibility we have in our own State for our low-level waste that we generate. Some of it is from hospitals, some of it is from nuclear power plants, it is from all sources. But that product, that waste is now being stored on sites all over the State of Texas.

That is why we need to put it in a secure location, a permanent location. My colleague from Austin mentioned that we are passing a bill for the ages.

Granted, this low-level waste has a life much longer than any of us ever expect to be here in Congress or even our own lives, but we also know that Congress is in session all the time, the legislature is in session on a regular basis. They can change this, and they can deal with it. That is why it is so important today we pass this rule and adopt the conference committee report.

Ms. SLAUGHTER. Mr. Speaker, I yield the balance of my time to the gentleman from Texas (Mr. DOGGETT).

Mr. DOGGETT. Mr. Speaker, the willingness and desire of our colleagues from New England to put this nuclear garbage as far away from there as possible out into west Texas is quite understandable. The silence in some cases and the open invitation of Governor George W. Bush that we accept all that nuclear garbage is a little bit more difficult to understand.

It is difficult to understand, particularly because some of the latest reports suggest that we do not need as many radioactive waste dump sites as are currently planned, that economically it does not make sense. We should consider the fact that none of these dump sites have been licensed for almost 20 years, despite the fact that some compacts have been formed. If we get on the fast track in Texas to put all that nuclear garbage out in Sierra Blanca, guess where the major waste dump site for the country is going to be located? Right there in that poor Texan Hispanic neighborhood.

I think that is one of the reasons why in June of this year some 95 environmental groups and legislators in both Mexico and the United States asked Governor Bush to keep his word and to stop this ongoing project. Unfortunately, that has not happened.

I find interesting the emphasis on the word ''low,'' when talking about nuclear waste or radioactive waste. Low. It reminds me a little bit of one of those late night commercials on television where someone is talking about ''how low can you go'' when buying a car or mobile home or something else that they might want to sell on there.

Well, let me tell my colleagues how low this radioactive waste is. It is low enough to kill you. It is low enough to kill people for thousands of years to come. It is low enough to kill people who exist on this planet today and anyone in the future that might exist on this planet that would ever remember those of us that are gathered here on the floor of this Congress today. It is low for public relations purposes. It may be lower than the highest level of radioactive waste, but it is high enough to be lethal and deadly and not to be placed in Sierra Blanca.

Ms. PRYCE of Ohio. Mr. Speaker, I yield 4 minutes to the gentleman from Texas (Mr. HALL), ranking member of the Subcommittee on Energy and Power.

Mr. HALL of Texas. Mr. Speaker, I would like to continue my discussion with the gentleman from Texas (Mr. DOGGETT) in hopes that we could win him over to see what his State needs and what these States have contracted for.

I simply start out by saying if we do not have a compact, he would be exactly right. These other 44 States, these three States, Mexico perhaps, Canada, throw in the Virgin Islands if we want to, maybe want to send their waste to Texas or to any other State. That is the reason we have compacts. That is the reason the Congress, in its wisdom back several years ago, provided for these compacts. That is the reason nine other compacts have been signed and are working. So I think in all these States that, including Texas, we have to have the compact or we could be the target for all of those.

Now, let me just talk a little, another minute about how a compact protects an area that enters into a compact. I am talking about these three States. I am talking about our State and the rights that we have and the vision that those that put this agreement and application together had for our State.

I would tell the gentleman, he says, what is to keep it from happening, how can it not happen, how can we stop the flow of trucks and trains filing into this State? Well, it is very simple. Section 6 of section 3.05 says, The commission may enter into an agreement with any person, State, regional body or group of States for the importation of low-level radioactive waste into the compact for management of disposal, provided that the agreement reaches a majority vote of the commission.

They cannot just load up and say we are headed for Texas. They have to have the assurance and the authority of the commission.

The commission, it says, may adopt such conditions and restrictions in the agreement as it deems advisable. That is local control in its finest sense. That is the commission of these three States. How much authority does the State of Texas have in that?

Well let us read again. Let us go to article 3. This is the protection I think that the gentleman is seeking. I think this is going to give you some assurance that I hope turns the tide on this rule. Who makes that decision by the commission? Who is the commission? Is that somebody from the other 46 States, the other 49 States or these three States? This tells us who makes that decision. It is not guesswork. It is not who has the biggest truck or who has the longest railroad. This says there is hereby established the Texas Low-Level Radio Waste Disposal Compact Commission. That is the commission the other article alluded to.

The commission shall consist of one voting member from each party State, except that the host State shall be entitled to 6 voting members. So the gentleman's State with 6 members, the other States with 2 members, I think they could do something about a deluge of low-level waste or garbage, whatever.

I have faith in the people that are going to be running this country in the future. I have faith in the legislature. The gentleman says do not mess with Texas. Do not mess with the legislature. Do not mess with Governor Bush. Do not mess with the governors of these other two States. Do not mess with all those public hearings that they have had. Do not mess with the Speaker of the House. Do not mess with the leader of the Senate. Do not mess with those who form the majority of the Senate and the House and voted for this, sent it on and asked for it, availed themselves of that that this Congress made available to them.

I think we need to pass this rule and get on with our business.

□ 1115

Ms. PRYCE of Ohio. Mr. Speaker, I yield 1 minute to the gentleman from Maine (Mr. BALDACCI).

Mr. BALDACCI. Mr. Speaker, I would like to thank the gentlewoman for yielding the time. The Texas Compact Act was passed by a floor vote of 309–107 in the House. The Texas compact has bipartisan support in its member States, in Congress and in the Nation. Congress has approved nine similar compacts for 41 States without amendments and without opposition.

The compact's member States oppose any amendments to this legislation. I support the rule. I support the proposal. It is in the best interest of Texas, Maine and Vermont, and it is in the best interest of this country. These entities need this safe disposal site, they need cooperation and collaboration between these States, and the State legislatures, the States' governors and the people of these States have supported these efforts. I ask for the consideration of this legislation.

Ms. PRYCE of Ohio. Mr. Speaker, I yield 2 minutes to the gentleman from California (Mr. BILBRAY).

(Mr. BILBRAY asked and was given permission to revise and extend his remarks.)

Mr. BILBRAY. Mr. Speaker, let us be very frank about this. The people that oppose the Texas compact traditionally oppose all of the low-level radiation compacts. Let us remember that 20, 30 years ago this material was going into landfills across this country.

Those who oppose the compacts and oppose siting these facilities have to ask themselves, it is easy to attack a location, an option, but it is awful hard to get a better option. I would just ask those who oppose this compact or any other compact to remember that the Federal Government mandated this approach, legislated this approach, and now there are those in the Federal Government that would love to obstruct this approach. I just ask those that do not like the options that are being proposed by this compact, what is your alternative? To continue to leave this waste stream in Dallas, in Houston, in Galveston, in the hospitals and the research facilities in Texas and

in other States? What is your option of what do we do with this low-level waste stream? This is the Federal mandated option that we placed on States. This is better than having the waste stream in our neighborhoods, next to our facilities, where our children are playing, where our grandparents are staying. So when you talk about this and say, is this the proper site, let me challenge you by saying, is the option better? Is it better to leave the waste stream where it is now, backing up and piling up in our neighborhoods? I would just ask that you consider the fact there may be people concerned about this site and about this compact, but go into your communities and ask your planning groups and your community groups and your families about do they want this waste stream left in their neighborhoods where it is now? The big untold story here is the fact that where this waste stream is and where it would be if it was not sited appropriately. This is the safest, most logical strategy. This is a strategy we decided on decades ago, and it is one that we should continue with. It is a rational strategy. Let us not have this waste in our neighborhoods. Let us have it in a safe facility.

Ms. PRYCE of Ohio. Mr. Speaker, I yield myself the balance of my time. Let me just say in response to some of my colleagues' concerns that this conference report contains the identical language of the other nine existing compacts. Further, it is not the intention of Congress to create a proscriptive regime for the States. It was intended to allow the States to manage for themselves the safe disposal of low-level waste as they see fit, without burdensome Federal regulation. It is important to note that all eight conferees agreed to this course of action.

Let me remind my colleagues once again that this rule will allow the House to consider the conference report which is supported by the governors of the member States as well as the National Governors Association, the Western Governors Association, the National Conference of State Legislatures and the Nuclear Regulatory Commission.

I once again strongly urge my colleagues to support this rule and therefore allow the House to consider the conference report on this important legislation.

Mr. Speaker, I yield back the balance of my time, and I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore (Mr. DICKEY). The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. DOGGETT. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 313, nays 108, not voting 13, as follows:

[Roll No. 343]

YEAS—313

Aderholt	Franks (NJ)	McKeon
Allen	Frelinghuysen	Metcalf
Archer	Frost	Mica
Armey	Gallegly	Miller (FL)
Bachus	Ganske	Minge
Baesler	Gekas	Mollohan
Baker	Gephardt	Moran (KS)
Baldacci	Gilchrest	Moran (VA)
Ballenger	Gillmor	Morella
Barcia	Gilman	Murtha
Barr	Goode	Myrick
Barrett (NE)	Goodlatte	Nethercutt
Barrett (WI)	Goodling	Neumann
Bartlett	Gordon	Ney
Barton	Goss	Northup
Bass	Graham	Norwood
Bateman	Granger	Nussle
Bentsen	Green	Oberstar
Bereuter	Greenwood	Obey
Berry	Gutknecht	Oxley
Bilbray	Hall (OH)	Packard
Bilirakis	Hall (TX)	Pallone
Bishop	Hamilton	Pappas
Bliley	Hansen	Parker
Blumenauer	Harman	Paul
Blunt	Hastert	Paxon
Boehlert	Hastings (WA)	Pease
Boehner	Hayworth	Peterson (MN)
Bono	Hefley	Peterson (PA)
Boswell	Hefner	Petri
Boucher	Herger	Pickering
Boyd	Hill	Pickett
Brady (TX)	Hilleary	Pitts
Brown (FL)	Hobson	Pombo
Brown (OH)	Hoekstra	Pomeroy
Bryant	Horn	Porter
Bunning	Hostettler	Portman
Burr	Houghton	Pryce (OH)
Burton	Hoyer	Quinn
Buyer	Hulshof	Radanovich
Callahan	Hutchinson	Rahall
Calvert	Hyde	Ramstad
Camp	Inglis	Redmond
Campbell	Istook	Regula
Canady	Jackson-Lee (TX)	Riggs
Cannon	Jenkins	Riley
Carson	John	Rivers
Castle	Johnson (CT)	Roemer
Chabot	Johnson (WI)	Rogan
Chambliss	Johnson, E. B.	Rogers
Chenoweth	Johnson, Sam	Rohrabacher
Christensen	Jones	Ros-Lehtinen
Clement	Kasich	Roukema
Coble	Kelly	Royce
Coburn	Kennedy (RI)	Ryun
Collins	Kennelly	Sabo
Combest	Kildee	Salmon
Condit	Kim	Sanchez
Cook	Kind (WI)	Sanders
Cooksey	King (NY)	Sandlin
Costello	Kingston	Sanford
Cox	Kleczka	Saxton
Cramer	Klink	Scarborough
Crane	Klug	Schaefer, Dan
Crapo	Knollenberg	Schaffer, Bob
Cunningham	Kolbe	Sensenbrenner
Danner	LaHood	Sessions
Davis (FL)	Lampson	Shadegg
Davis (VA)	Largent	Shaw
Deal	Latham	Shays
DeGette	LaTourette	Shimkus
DeLay	Lazio	Shuster
Diaz-Balart	Leach	Sisisky
Dickey	Levin	Skaggs
Dicks	Lewis (CA)	Skelton
Dingell	Lewis (KY)	Smith (MI)
Dooley	Linder	Smith (NJ)
Doolittle	Lipinski	Smith (OR)
Dreier	Livingston	Smith (TX)
Duncan	LoBiondo	Smith, Adam
Dunn	Lucas	Smith, Linda
Edwards	Maloney (CT)	Snowbarger
Ehlers	Manton	Snyder
Ehrlich	Manzullo	Solomon
Emerson	Martinez	Souder
English	Mascara	Spence
Everett	McCarthy (MO)	Spratt
Ewing	McCarthy (NY)	Stearns
Fawell	McCollum	Stenholm
Fazio	McCrery	Stump
Foley	McHale	Stupak
Forbes	McHugh	Sununu
Fossella	McInnis	Talent
Fowler	McIntosh	Tanner
Fox	McIntyre	Tauscher
Frank (MA)		Tauzin
Taylor (MS)	Upton	Weller
Taylor (NC)	Vento	White
Thomas	Visclosky	Whitfield
Thornberry	Walsh	Wicker
Thune	Wamp	Wilson
Thurman	Watkins	Wise
Tiahrt	Watts (OK)	Wolf
Traficant	Weldon (FL)	Young (AK)
Turner	Weldon (PA)	

NAYS—108

Abercrombie	Hastings (FL)	Owens
Ackerman	Hilliard	Pascrell
Andrews	Hinchey	Pastor
Becerra	Holden	Payne
Berman	Hooley	Pelosi
Blagojevich	Jackson (IL)	Poshard
Bonilla	Jefferson	Rangel
Bonior	Kanjorski	Reyes
Borski	Kennedy (MA)	Rodriguez
Brady (PA)	Kilpatrick	Rothman
Brown (CA)	Kucinich	Roybal-Allard
Capps	LaFalce	Rush
Cardin	Lantos	Sawyer
Clay	Lee	Schumer
Clyburn	Lewis (GA)	Scott
Conyers	Lofgren	Serrano
Coyne	Lowey	Sherman
Cummings	Luther	Skeen
Davis (IL)	Maloney (NY)	Slaughter
DeFazio	Markey	Stabenow
Delahunt	Matsui	Stark
DeLauro	McDermott	Stokes
Deutsch	McGovern	Strickland
Dixon	McKinney	Thompson
Doggett	McNulty	Tierney
Doyle	Meehan	Torres
Ensign	Meek (FL)	Velazquez
Eshoo	Meeks (NY)	Waters
Evans	Menendez	Watt (NC)
Farr	Millender-McDonald	Waxman
Fattah	Miller (CA)	Wexler
Filner	Mink	Weygand
Ford	Nadler	Woolsey
Furse	Neal	Wynn
Gejdenson	Olver	Yates
Gibbons	Ortiz	
Gutierrez		

NOT VOTING—13

Clayton	Hinojosa	Price (NC)
Cubin	Hunter	Towns
Engel	Kaptur	Young (FL)
Etheridge	McDade	
Gonzalez	Moakley	

□ 1140

Ms. ESHOO and Messrs. RUSH, MCNULTY, SAWYER, HOLDEN and MARKEY changed their vote from ''yea'' to ''nay.''

Mr. RAHALL changed his vote from ''nay'' to ''yea.''

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Mr. DAN SCHAEFER of Colorado. Mr. Speaker, pursuant to the provisions of House Resolution 511, I call up the conference report on the bill (H.R. 629) to grant the consent of the Congress to the Texas Low-Level Radioactive Waste Disposal Compact.

The Clerk read the title of the bill.

The SPEAKER pro tempore (Mr. DICKEY). Pursuant to the rule, the conference report is considered as having been read.

(For conference report and statement, see proceedings of the House of July 16, 1998, page H5724).

The SPEAKER pro tempore. The gentleman from Colorado (Mr. DAN SCHAEFER) and the gentleman from Texas (Mr. HALL) each will control 30 minutes.

Mr. BONILLA. Mr. Speaker, I am opposed to the bill, and because the

chairman and the ranking member are both in favor of the bill, under rule XXVIII I assert my right to be recognized for 20 minutes in opposition to the conference report.

The SPEAKER pro tempore. Is the gentleman from Texas (Mr. HALL) opposed to the conference report?

Mr. HALL of Texas. I support it, Mr. Speaker.

Mr. REYES. Mr. Speaker, as a member of the minority also in opposition to the conference report, I ask unanimous consent that the gentleman from Texas (Mr. BONILLA) yield to me 10 of his minutes that I may be allowed to control.

The SPEAKER pro tempore. Prior to entertaining that request, under clause 2(a) of rule XXVIII, recognition of a Member opposed does not depend on party affiliation but is within the sole discretion of the Chair, page 759 of the manual.

The gentleman from Texas (Mr. BONILLA) is senior to the gentleman from Texas (Mr. REYES), and therefore the gentleman from Texas (Mr. BONILLA) is recognized to control 20 minutes of debate.

Mr. DAN SCHAEFER of Colorado. Mr. Speaker, I want to get this straight.

I will control 20 minutes, the gentleman from Texas (Mr. HALL) will control 20 minutes, and the gentleman from Texas (Mr. BONILLA) will control 20 minutes of which I think he is going to yield 10 minutes to the gentleman from Texas (Mr. REYES).

The SPEAKER pro tempore. That is accurate. That is the understanding of the Chair.

Mr. BONILLA. Then, Mr. Speaker, I ask unanimous consent to allow the gentleman from Texas (Mr. REYES) to also have 10 minutes of my time to control.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

□ 1145

PARLIAMENTARY INQUIRY

Mr. BECERRA. Mr. Speaker, parliamentary inquiry.

The SPEAKER pro tempore (Mr. DICKEY). Will the gentleman from California please state his parliamentary inquiry.

Mr. BECERRA. If I heard the Speaker correctly, the allocation of time is being distributed two-thirds to those who are in support of the bill and one-third to those who are opposed to the bill.

The SPEAKER pro tempore. That is correct.

Mr. BECERRA. Mr. Speaker, my parliamentary inquiry is, is it not the tradition of the House to divide the time equally between those who are in support and those who are opposed?

The SPEAKER pro tempore. The House is now operating under clause 2(a) of rule XXVIII, and that is what is provided.

GENERAL LEAVE

Mr. DAN SCHAEFER of Colorado. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on this legislation and to insert extraneous material on the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Colorado?

There was no objection.

Mr. DAN SCHAEFER of Colorado. Mr. Speaker, I yield myself such time as I might consume of my 20 minutes.

H.R. 629, the Texas Low-Level Radioactive Waste Disposal Compact Consent Act would grant the consent of Congress to the low-level radioactive waste disposal agreement reached between the States of Texas, Maine, and Vermont.

When Congress passed this Act back in 1980, it was a part of a broader general agreement whereby the States are responsible for the disposal of low-level radioactive waste while the Federal Government is responsible for high-level radioactive waste disposal. Since 1980 when the act was passed, 41 States have received the consent of Congress for their disposal compacts.

The vast majority of low-level radioactive waste do not even require the use of special containers to protect against threats to human health. They include a wide range of materials, medical isotopes, university research wastes, and low-level wastes from nuclear power operations. In most cases, the radioactivity in these materials would decay to the point where there is no significant, no significant risk to human health after about 100 years.

With the decision to put low-level waste responsibilities at the State level, the obligations of the Federal government have always been fairly limited. Our primary responsibility is to ensure that the compacts comply with the Federal Low-Level Waste Act. The Texas Compact meets this test without a doubt. The State legislatures and the Governors of Texas and Maine and Vermont have met their obligations under the Low-Level Radioactive Waste Policy Act. It is now our responsibility as Members of Congress to support the States in this decision.

The conference agreement accomplishes this. It proposes a clean bill which does not include the amendments adopted during the floor consideration in the House and the Senate. This provides the States of Texas, Maine, and Vermont with the same flexibility enjoyed by nine other compacts Congress has already approved. It maintains an even playing field for the entire compact system. It is the right thing for the House to do at this time.

The gentleman from Texas (Mr. BARTON) and the gentleman from Texas (Mr. Hall), the sponsors of the legislation, deserve a great deal of credit for their strong leadership and capable effort in moving this bill and this conference report forward. I strongly support the conference report and encourage its adoption by the House.

Mr. Speaker, I reserve the balance of my time.

Mr. HALL of Texas. Mr. Speaker, I yield myself for 4 minutes.

Mr. Speaker, I rise in strong support of the conference report to accompany H.R. 629, the Texas-Maine-Vermont Low-Level Radioactive Waste Compact. This is an oft told story because we have had many speeches on this floor. We have had many favorable votes.

This is not just an important bill to the three States involved, this is an important bill to the entire United States and to any of those who want a safe disposal of low-level radioactive waste that is produced within their own borders.

As my colleagues know, this material is produced by hospitals, universities, industries, power plants, you name it. Universities that teach industries that create jobs, and jobs mean dignity. We know all of that. We have talked about that before here.

This is pursuant to a plan set out by Congress followed by other States successfully, voted on in the various States, signed by the governors, debated by the legislators and passed. They have had public hearings galore. I think absent this consent we seek today to this interstate compact, it is not likely that a facility to take care of these three States' waste or material could be built anywhere without this compact.

This fulfills the plan that was envisioned by Congress some time ago and requested by the States when the legislation was enacted back in 1982. It permits States to join together to select a site to design an interstate agreement and one that works for them.

Congressional approval makes it possible for the States within a compact to control, and that is a very important feature, to control how much waste is accepted at the facility and for whom. The application controls that. That relegates it to a set amount. That set amount can only be changed by the commission set up in the law. That commission is controlled by the State where it is deposited because they have six votes. The other States have two votes. But it is a joint effort by all three.

This legislation like the nine compacts Congress has previously approved permits these three States to exclude waste from other nonmember States. That is very important. It is important to our State, but it is important to the total thrust of the compacts, because it alludes to other States and gives them the same right and the same opportunity to exclude if they enter into a compact.

It also allows the compact, if it chooses, to accept waste if so doing is in keeping with the purposes of the thrust. For example, taking out of region waste for a limited period of time might reduce operating costs. But that

is not our decision. That is the decision to be made at the local level, at the State level, by whoever is in control of the local level and the State level at the time that decision is made.

The key is letting the compact make that decision and preserving the flexibility to do so. That is what this legislation was passed for. I think that is what H.R. 629 preserves.

I thank the committee for its attention. I thank all of these Members for their votes of the past. I urge them to revote as they have in the past. Get this behind us. I would say this to the gentleman who represents the area where the site is: He has fought a valiant fight. He got here after many of the debates had been held and decisions have been made.

But I have the same situation here. I have a wonderful friend who has a bad amendment, and we are going to try to turn back that amendment. But in doing so, we do not want to turn back the support that this fine Member has for the rest of the State, the great battle he has put up for his district. I admire him, yet I ask Members to support this thrust we are asking for today.

Mr. Speaker, I reserve the balance of my time.

Mr. BONILLA. Mr. Speaker, I yield myself as much time as I may consume.

Mr. Speaker, what we are talking about here is a basic fundamental right as Americans that we recognize for generations that has made our country what it is today standing above and beyond any country in the history of this planet; that is, the rights are of those of us in communities to determine our own future and to determine our own destiny and our own communities.

Also the right to private property and the right to have that property held sacred to us and that the value and that the use of that property is controlled as long as you are not hurting your neighbors and your friends that are existing adjacent to your property to allow that property to prosper over the years and to use it as you see fit.

Those rights have been threatened, Mr. Speaker, by this compact, but more importantly by the State legislature at the turn of the decade that decided, along with Governor Ann Richards, to implement this low level nuclear dump site in the community of Sierra Blanca. The community opposed this strongly. I have the names here, which I will read at a later time, of 20 counties surrounding Sierra Blanca where this site was picked by Governor Richards, former Governor Richards, and the State legislature.

We have discussed before, as my friend, the gentleman from Texas (Mr. GREEN) has pointed out, that this issue we are voting on today has no reference at all to the site picked by the State legislature and Governor Richards many years ago.

We are simply trying to do the right thing for the people of the community around Sierra Blanca and surrounding counties by trying to stop this thing at the final checkpoint before it is allowed to be implemented.

The reasons for the opposition are very simple. There is unstable ground. The geology of the area has been reviewed over and over and, in fact, two administrative law judges who have looked carefully at this situation have determined that the earth is unstable in this area.

How would you like it, whether you live in Manhattan or you live in Cleveland or you live in San Francisco or you live in West Texas where earthquakes have occurred, how would you like it if suddenly someone said that right next door they are going to start putting in containers, low level nuclear waste, that might leak out if the ground were unstable enough that it might threaten your property and your water supply and the future of the environment for the children that are growing up in this particular area?

So the threat to the environment is real and has, in fact, back home in Texas, been documented by two administrative law judges that are recommending that now in the capital of Austin, the agency in charge of regulating this issue take this into consideration in the strongest way or in fact recommending that this not be accepted.

The economic impact tied to the environment is also a very big issue that these administrative law judges have pointed out. So you can see why these two threats to the people of this community would have a huge impact on their ability to govern their own future and their economic growth surrounding the Sierra Blanca area and the counties surrounding that area as well.

So we have a chance to do here in the United States Congress what again the State legislature at the turn of the decade and former Governor Ann Richards choose to dump on the people of West Texas, and we are the last hope for the folks of Sierra Blanca and surrounding counties.

I have a list here, Mr. Speaker, in case there is any doubt of anyone in this body as to how the folks in West Texas feel about this: El Paso County, Presidio County, Jeff Davis County, Culberson, Val Verde, Webb, Starr, Hidalgo, Cameron, Zapata, Reeves, Brewster, Ward, Sutton, Kimble, Kinney, Crockett, Pecos, Maverick, Ector. We are almost getting started on the entire list of counties in the State of Texas that have passed resolutions, I have the dates here on which they were passed, opposing building this dump that threatens the environment and their local economies.

We also have resolutions passed by 13 additional cities, municipalities in this area as well, that are opposed to this.

We also have a problem with our neighbors in Mexico whom we have a treaty with to work together on environmental issues, the Treaty of La Paz, that designates clearly that we have to work with folks when it means that their environment ought to be threatened as well.

We would not want them dumping nuclear waste within a few miles of the Rio Grande on the Mexican side. They also have expressed to us that they have a concern about this dump being constructed.

So I ask my colleagues in this body to oppose this conference report. It is a threat to their rights to control their own destiny, the folks back in Texas, and their communities. It is a threat to their private property rights, and it is something that we have an opportunity again to fix something that the former governor and the State legislature, at the turn of the decade, dumped on the people of West Texas.

Mr. Speaker, I reserve the balance of my time.

Mr. REYES. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I want to thank my colleague, the gentleman from Texas (Mr. BONILLA) because this is a tough issue but it is an issue that I find easy to defend because it is the right issue for our community and the area that we represent.

I rise in opposition to conference report on H.R. 629 because, as I mentioned earlier, I do not believe that we should be considering a conference report that ignores the will of the House and the Senate. I do not believe we should be considering a conference report that has stripped a key provision from the bill that both the House and the Senate had adopted.

Unlike both the House and Senate passed measures, the conference report does not include a provision that would restrict waste at the selected site to the 3 States, the States of Texas, Maine and Vermont.

□ 1200

As far as I am concerned, that, in itself, is reason enough not to move this bill forward.

But if we need additional reasons to vote against this conference report, I would like to enter into the RECORD an article that has already been mentioned by my colleague from Texas (Mr. BONILLA) that was printed in the Dallas Morning News on July 8.

As we can see in this article, two Texas hearing examiners recommended against licensing a low-level nuclear waste dump in far West Texas, at Sierra Blanca. The hearing examiners explained that the State Low-Level Radioactive Waste Disposal Authority did not, and I repeat, did not adequately determine whether a fault under the site posed an environmental hazard or not.

The examiners further stated that the authority did not adequately address how the proposed facility might harm the quality of life in that area, the quality of life of a constituency that we represent. Their protection, their interests are why we are opposed to this conference report.

These findings are further evidence that the proposed radioactive waste dump is a potential environmental hazard which has not undergone adequate study by various State agencies.

Mr. Speaker, I ask this body if Texas State regulators do not support the Sierra Blanca site, why should we jeopardize the health and the well-being of people in West Texas? I do not care how many times supporters of this bill say that a vote for H.R. 629 is not a vote for the Sierra Blanca site. It simply is a vote for that site. They know it, I know it, and the people of Sierra Blanca and El Paso know it.

Mr. Speaker, by now, having heard the argument, even you know it. If H.R. 629 becomes law, it will endanger the safety and the welfare of the community and the people who live there.

Mr. Speaker, I reserve the balance of my time.

Mr. DAN SCHAEFER of Colorado. Mr. Speaker, I yield such time as he may consume to the gentleman from Texas (Mr. BARTON), the author of the bill.

Mr. BARTON of Texas. Mr. Speaker, I thank the gentleman from Colorado for yielding me this time.

Mr. Speaker, I want to try to very quickly go through what I think are the substantive points in this debate. I want to try to address some of the comments the gentleman from Texas (Mr. BONILLA) and the gentleman also from Texas (Mr. REYES) have already raised and, in advance, some of the comments that perhaps the gentleman from Texas (Mr. DOGGETT) will raise when he speaks in opposition.

With regards to the fact that the conference report is coming back as a clean bill, if we look at the House RECORD of October 7, 1997, on page 8531, there is a colloquy or a dialogue between myself and the gentleman from Texas (Mr. DOGGETT) where I agreed to accept his amendment, but I did so with the reservation that we would check with the governor of Texas and let the representatives of Vermont and Maine check with their governors, and if they opposed the inclusion of the Doggett amendment, we reserved the right to strip that out in conference. The gentleman understood that and accepted it at the time.

Well, we did check with Governor Bush in terms of Texas, we checked with the governors of Maine and Vermont, and they decided that they did not want to accept any amendments, because no other compact had been amended on the floor of the House or the Senate previously when those compacts had been agreed to. So the conferees did strip out the Doggett amendment.

If Governor Bush and the other State governors had accepted it, we would have accepted it and reported it back.

Let us talk about some of the environmental concerns that have been raised. We have talked about some water table concerns. The water table at the site is 700 feet beneath the site. The groundwater there moves very slowly. There is no analysis that says there could be groundwater contamination at all, period.

With respect to the earthquake, and administrative law judges did state in their denial of the site a specific request that the earthquake analysis had not been adequately addressed. But they also said that that, in and of itself, was not a reason to deny the site.

I want to go through some of the earthquake site-specific issues. The strongest earthquake that has ever been recorded in Texas history is 6.4 on the Richter scale. This site is designed to withstand an earthquake of a magnitude of 6.0 directly beneath the site. The last time they can calculate there was ever an earthquake in the area was between 750,000 and 12 million years ago, Mr. Speaker, 750,000 and 12 million years ago. That is 730,000 years before the pyramids were built in Egypt.

The earthquake seismic activity rating for the region is, one, the same as Washington, D.C. This Capitol could not withstand an earthquake of 6.0 on the Richter scale directly beneath it. So I think there are some issues there. But again, even according to the administrative law judges' recommendation, in and of itself, the seismic concerns——

Mr. BONILLA. Mr. Speaker, will the gentleman yield?

Mr. BARTON. I yield to the gentleman from Texas.

Mr. BONILLA. Mr. Speaker, I appreciate the gentleman yielding.

I just want to remind my friend about the earthquake that struck in West Texas, I believe, if I am not mistaken it was just 2 years ago and there was damage caused. It was not right at this location, but it was not far away, in the Alpine area that, as the gentleman probably knows, is just a few miles away.

Mr. BARTON of Texas. Mr. Speaker, a few miles away. My understanding is it was over 100 miles away, and it was less than 3 on the Richter scale. That is my understanding, but I could obviously be corrected.

Mr. BONILLA. Mr. Speaker, if the gentleman will yield further, the earthquake did cause damage, enough to cause concern out in the West Texas area. And, as the gentleman knows, even though it covers vast distances that community is considered 100 miles up the road. As my friend knows, in that part of Texas, that is, in fact, just up the road.

Mr. BARTON of Texas. Mr. Speaker, reclaiming my time, it is just up the road, I will admit to that, my good friend. But this site could withstand a 6.0 magnitude effort quake directly beneath it and sustain no damage; and, again, there was been no earthquake of this magnitude in the region in over 750,000 years.

Let us talk about local support. My good friend (Mr. BONILLA) waved and alluded to a great list of Texas counties that oppose this site, and I have no doubt that that is a true list. In this county, the local elected officials that ran for reelection in the last local election supported the site and were reelected.

Recently, in the office of American Statesmen there was an open letter asking that the site be approved signed by over 100 local residents, many of them elected officials. So I think that there is support for it in the region.

Finally, Mr. Speaker, this bill passed the House 309 to 107 back in October. Based on the rule vote that we just had, it is hopefully going to pass with that order of magnitude again in the next 30 or 40 minutes. We need to pass this bill; we need to let Texas, Vermont and Maine go about their business; we need to let the State of Texas go ahead and address the concerns that have been raised by the administrative law judge.

In conclusion, I want to read the conclusion of the administrative law judge's report. This is on page 7 TNRCC, docket number 96–1206–RAW. It says, and I quote,

> If the Commission approves the application, the draft license should be modified to clarify that the facility could accept waste containing a total of no more than 1 million curies of radioactivity over the 20-year license term. With this clarification, the performance assessment, including the consideration of nonradiological impacts and accident scenarios, is adequate.

So the administrative law judge did not approve the site, but they did not disapprove it. They said that there are some concerns that need to be addressed by the Licensing Commission in Texas, and if those concerns were addressed, it should be approved.

Mr. Speaker, I yield back the balance of my time.

Mr. HALL of Texas. Mr. Speaker, I yield 2 minutes to the gentleman from Texas (Mr. BENTSEN).

(Mr. BENTSEN asked and was given permission to revise and extend his remarks.)

Mr. BENTSEN. Mr. Speaker, I rise in support of the conference report for H.R. 629, the Texas Low-Level Radioactive Waste Disposal Compact Consent Act.

I believe this bill is vital to protecting Texas from increasing amounts of out-of-State waste by entering into the compact. By ratifying this agreement, Texas will receive added protection to stop other States from shipping their low-level radioactive waste into the State. Texas will maintain complete control over the disposal site. Only Texas will decide whether or not another State may join the compact.

Mr. Speaker, at this time I would like to enter into the RECORD an article from the El Paso Times where Governor George Bush, the current governor of the State of Texas, says that he will ask the legislature to adopt such legislation when they meet in 1999, assuming, of course, he is reelected governor.

[From the El Paso Times, June 26, 1998]

BUSH WANTS NUCLEAR WASTE LIMIT FOR DUMP

(By Gary Scharrer)

BROWNSVILLE.—Gov. George W. Bush will ask Texas lawmakers to pass a law next year making it absolutely clear that only Vermont and Maine may export nuclear waste to the Lone Star State under a compact moving through the U.S. Congress.

''I think we ought to take this to the floor of the state House and Senate and say, 'We will limit future (compact) commissioners to Maine and Vermont and Texas,'' Bush said Thursday at the start of the 16th annual Border Governor Conference.

Bush said he agrees with the spirit of an amendment by U.S. Rep. Lloyd Doggett, D-Austin, and U.S. Sen. Paul Wellstone, D-Minn., that would restrict the proposed compact to low-level nuclear waste from those three states. But the nuclear power industry opposes the amendment, which it contends will delay opening of the state's low level nuclear waste dump near Sierra Blanca.

''If it passes without that amendment, I think it makes sense for the governor to propose a bill out of the Texas Legislature that forever limits low level radioactive waste to Texas, Maine and Vermont,'' Bush said.

Opponents of the proposed dump site 90 miles southeast of El Paso contend that for West Texas stands to become a national dumping ground if the compact passes without restrictions.

A majority of appointed compact commissioners could decide to accept nuclear waste from other states, according to the pact already approved by the three states.

More than 50 Mexican journalists are covering the Border Governors Conference. The issue of low-level waste dominated Bush's opening-day news conference.

Bush assured Mexico's news media that Texas won't open the dump ''unless it's safe.''

The Texas Natural Resource Conservation Commission is expected to act later this year on a license application necessary for opening and operating the dump.

Some elected officials in Mexico contend the planned dump will violate the La Paz Agreement negotiated by the two nations in 1983 to prevent and eliminate pollution sources within 52 miles of the international border. The Sierra site is about 16 miles from the Rio Grande.

Bush said he's already received a legal opinion indicating the proposed dump does not violate the La Paz Agreement. Those who disagree need to appeal to federal officials, he said.

''This is a federal treaty. I would strongly urge Mexican officials take it up with federal officials in Washington, DC, to determine whether or not the treaty negotiated between federal governments pertains,'' he said.

Governors from Texas, New Mexico, Arizona and California and most governors from the six Mexican border states are at the two-day conference.

Water and border crossings probably will get the most attention, Bush predicted.

Texas and bordering Mexican states face the second drought in three years. A plan used two years ago to conserve and share water is likely to be used again this summer, Bush said.

Both he and Republican Arizona Gov. Jane Dee Hull said a proposed larger border-crossing card won't work because Mexican citizens can't afford it.

''The idea of the card is fine,'' she said. ''I like the high-tech idea, but it is far too expensive for the Mexican family to afford. And I don't believe we will be able to implement it this quickly, . . . I have suggested that they delay implementation.''

A laser card would cost $45 and would be good for 10 years, but doesn't include photo, passport and visa costs.

''It's very important,'' Bush said, ''for the U.S. federal government and the State Department to understand how important daily traffic is between our sister cities along the border, and we ought to make it easy for people to receive a modern card.

''The idea of modernizing border-crossing cards is a good idea. But to make it very expensive and difficult to obtain is not a good idea.''

Mr. BENTSEN. Mr. Speaker, just to make it clear, both Governor Bush, a Republican, and former governor Ann Richards, a Democrat, have supported this, as well as the Texas State legislature, which is a split legislature between Republican and Democrat. By entering into the compact, Texas can keep other out-of-State compact waste from entering into our State. Currently, 41 other States have entered into these types of compacts to prevent further importation of out-of-State waste.

Now, with respect to the issue of the site, as was raised by my colleague from North Texas, the question of the administrative law judge as to the suitability of the site is again an issue for the State to decide. What we are talking about here is the issue of the compact with Maine and Vermont, and that is what we ought to concern ourselves with.

It is very important to the State of Texas as it relates to the low-level radioactive waste that we produce in my district at the Texas Medical Center all across the State of Texas. This is an issue that the State will decide. The bill establishes a structure for the State to decide, and it limits the amount of out-of-State waste that can come in.

So I would urge my colleagues to do as they have done in the past and support the conference report.

Mr. BONILLA. Mr. Speaker, I yield 2½ minutes to the distinguished gentleman from San Antonio, South Texas (Mr. RODRIGUEZ).

Mr. RODRIGUEZ. Mr. Speaker, I thank the gentleman for yielding me this time.

I rise in opposition to H.R. 629, which is the Texas-Maine-Vermont low-level radiation waste dump bill. This bill, as originally written, would allow waste dump operators to dispose of waste in Texas from States other than Texas, Vermont and Maine. That is simply unacceptable.

I served in the Texas legislature; and, in fact, of the Members that are here, I am one of the few that voted for the bill in 1993 when the low-level waste radioactive compact was approved. At that time, supporters of the bill insisted that the only waste generated of the three-member States would be disposed of at that site. It was on that understanding to the legislators that it was approved that only those three States would be able to dump in Texas.

The House and the Senate have both passed amendments by my colleague from Texas and the Senator from Minnesota to require that only that waste generated in those three States be dumped there.

Now, this is the first time, and I find it very unconscionable, that an amendment that is both put in on the House side and on the Senate side would now all of a sudden be stripped from both sides. Now, if my colleague from Texas indicated earlier that only waste from those three sites would be acceptable, then why not accept that amendment? Because we know otherwise, that basically they want to be able to dump from throughout the States; the other 49 States will be able to dump in Texas.

Furthermore, I urge inclusion of the environmental justice amendment that was put on the Senate. This allows a party to bring suit in the case of discriminatory waste dumping. This particular locality has a major concentration of Mexican-Americans. I believe this is a safeguard for residents of the Sierra Blanca, and it is necessary in light of the predominantly minority population in that region where the facility is located.

Supporters insist that the site is not finalized, but, in all honesty, they have already picked their site, and the judges have ruled against the site and they have ruled.

I would disagree with my friend from Texas, there has been an earthquake there. I was in the Texas legislature prior to 1993 when we allocated some resources because of some structural damage on some State facilities in the region. So we need to honestly look at this issue and take it into consideration.

Mr. REYES. Mr. Speaker, could I ask as to the availability of time that we all have?

The SPEAKER pro tempore. The gentleman from Colorado (Mr. DAN SCHAEFER) has 10½ minutes remaining; the gentleman from Texas (Mr. HALL) has 14 minutes remaining; the gentleman from Texas (Mr. BONILLA) has 2½ minutes remaining; and the gentleman from Texas (Mr. REYES) has 7½ minutes remaining.

Mr. REYES. Mr. Speaker, I yield 2½ minutes to the gentleman from Texas; excuse me, the gentleman from California (Mr. BECERRA). He wants to be from Texas.

Mr. BECERRA. Mr. Speaker, I thank the gentleman for yielding, but if this bill goes through, I definitely would not want to be from Texas.

I know my colleagues have heard quite a bit on this. I think it is unfortunate that, once again, we are seeing communities that are poor, oftentimes unrepresented well in the Congress because they may not be sophisticated politically; they may not have a lot of money to give to campaigns, or for whatever the reasons, now again being dumped upon.

If I may, rather than speak words that I believe will be spoken by others of my colleagues here, let me read a letter that was just yesterday issued by

the largest Hispanic national organization in the country, the League of United Latin American Citizens.

□ 1215

LULAC goes on to say,

The selection of a poor Mexican-American community (which is already the site of one of the largest sewage sludge projects in the country) brings to mind serious considerations of environmental justice . . . The decision Congress now faces on this matter cannot be made in a vacuum, ignoring serious environmental justice questions that have been raised about the site selection process. These unjust procedures are an apparent contradiction of the 1994 Executive Order that firmly upheld environmental justice.

LULAC would caution Congress not to be complicit in what has become, whether intentional or not, a repulsive trend in this country of setting the most hazardous and undesirable facilities in poor, politically powerless communities with high percentages of poor people of color. Only a vote against the Texas, Maine, and Vermont Radioactive Waste Compact conference committee report will ensure that this trend is not extended into Hudspeth County, Texas.

I would urge all Members to heed what one of the largest and oldest national organizations, representing a very large section of this country, is saying, not because of what it says, but because of what this bill will do to the people that live in those areas.

We are looking at affecting the lives of more than 5 million people that live in that area of Texas, and I would hope that my colleagues would look a little closer before moving forward on a compact that would jeopardize the safety not just of people, but mostly of children.

Mr. DAN SCHAEFER of Colorado. Mr. Speaker, I yield 3 minutes to the gentleman from Texas (Mr. SAM JOHNSON).

(Mr. SAM JOHNSON of Texas asked and was given permission to revise and extend his remarks.)

Mr. SAM JOHNSON of Texas. Mr. Speaker, I listened to my colleagues harangue here about some of the things that are going on. They were in the legislature and voted on that in Texas, and so did I. I was there at the time.

I hear people bad-mouth Ann Richards, our Governor at the time. She was of the other party, but I want to tell the Members, I thought Ann Richards handled the waste company issue well, and she and George Bush support this compact. To say that it is not the right thing to do is crazy. I do not know where these Members are coming from. If they voted for it, they ought to be for it. It is a State matter, not a Federal matter.

For the gentleman to sit there and say that we have to determine our own destiny, and then turn around and say it is up to the Federal Government to put our destiny at risk, it is not, it is up to the States. The States made a compact. Three States made a compact, Vermont, Maine and Texas.

To not approve that compact, which is in a conference report now, and it has been passed through both Houses, it is time for Congress to pass this compact so that those three States can get on down the road, and so that, in spite of what my colleagues are saying, Texas, Maine, and Vermont can store their low-level radioactive material. Because if we do not do it, Texas can be forced to take waste from other States in the Union, I am told. I think that is correct.

Also, to sit there and talk about Mexico, when they are one of the worst violators of the environment I have ever seen, that they are going to oppose us putting clean, well-packaged waste into the ground, is crazy. And then for somebody to bring up the idea that we are attacking a low-wage earning community is also ridiculous. I cannot believe it. That area was picked because of the soil, because of the ground around it, because it is a safe storage place.

The way we package these low-level radioactive items today, it is not dangerous. Members ought to go out to Nevada where they tested nuclear weapons. That is real hazard. I happened to be out there when they were testing them, and flew through some of those things as part of a test. I am not dead.

I think that anything that Members try to say about this compact as far as earthquakes, floods, water contamination, et cetera, is just crazy. It is time we voted for this report, the way it should be. It is up to the Congress to confirm what the States have asked. I urge consideration and passage.

Mr. HALL of Texas. Mr. Speaker, I yield 3½ minutes to the gentleman from Vermont (Mr. SANDERS), who represents one of the States.

Mr. SANDERS. Mr. Speaker, I thank the gentleman for yielding me the time.

Mr. Speaker, I rise in strong support of the conference report. Let me say a few words on process, and then a few words on substance.

In terms of process, what is important for everyone to understand is that this compact bill has been passed overwhelmingly by the legislatures of Texas, Maine, and Vermont, and the legislation is strongly endorsed by the Governors of Texas, Maine, and Vermont.

In fact, in Vermont the legislature approved this legislation by voice vote in the State Senate and by a 3 to 1 margin in the House. In Texas, the Texas State Senate approved this legislation 26 to 2, while the Texas House approved it by voice vote. In Maine, both the House and Senate approved the bill by wide margins. Under a statewide referendum held in Maine, the legislation passed by better than a 2 to 1 margin.

This bill, Mr. Speaker, is supported by both Senators from Texas, both Senators from Maine, both Senators from Vermont. It is supported by the entire Maine delegation in the House, all two Members; the entire Vermont delegation, me; and as I understand it, two-thirds of the Texas House. So there is opposition from some Members of the Texas House here, but two-thirds support this legislation.

Mr. Speaker, this compact is not a new idea. Since 1985, nine interstate low-level radioactive waste compacts have been approved by Congress, encompassing 41 States. I think all we are saying, if this approach is valid for 41 States in nine compacts, it certainly should be valid for Texas, Maine, and Vermont. That is the process.

Let me say a few words on substance. Here, my views may be a little different than some of the people who are supporting this compact. I am an opponent of nuclear power. I think the nuclear power industry did us a disservice many, many years ago when they said, let us build the plants, except they forgot to tell us how we were going to get rid of the waste; a slight little problem.

Now, all over this country, serious people, environmentalists, are worried, how do you get rid of low-level radioactive waste, which we are dealing with here? How do you get rid of high-level waste? That is a very serious problem.

If I had my druthers, I would close down every nuclear power plant in America as quickly as we safely can. But the issue today is something different. The reality is, we have nuclear power plants. We have universities and hospitals that are using nuclear power. The environmental question today, therefore, is how do we get rid of that low-level waste in the safest possible way? In my view, that is what this legislation is about. I think the evidence is pretty clear that Texas is in fact the best location to get rid of this waste.

The last point that I would make is there is nowhere in this legislation that talks about a specific site. Nowhere will we find that. We are not voting on a site. That decision is left to the authorities and the people of the State of Texas.

Mr. HALL of Texas. Mr. Speaker, I yield 3 minutes to the gentleman from Maine (Mr. ALLEN), another of the Member compacts.

Mr. ALLEN. Mr. Speaker, I thank the gentleman for yielding me the time.

I rise in strong support of the conference report to H.R. 629, and urge all Members to support this agreement. I have spoken on this issue now many times in the past. The issue is still the same. This is simply the opportunity for Texas, Maine, and Vermont to do what 41 other States have already done, enter into a compact for the disposal of their low-level radioactive waste.

Last November the House overwhelmingly approved this compact by a vote of 309 to 107. The Low-Level Radioactive Waste Act places the responsibility for the disposal of low-level radioactive waste on the States. In order to dispose of waste safely and properly, States are allowed to enter into compacts.

Under the Act, the States of Maine, Vermont, and Texas have crafted a compact to meet their needs. Maine's voters approved the compact by a 3 to 1 margin at referendum, so it has not only been approved by the Governor and by the State legislature, but also by the people voting at referendum. Over the past years, several years, Congress has approved nine such compacts covering 41 States, and the time has come to add to that list.

We have heard Members stand up and argue that amendments were stripped in conference, and therefore the bill should be voted down. But not one of the other nine compacts, not one of them, had amendments to their agreements. Not one of them, in not one of those cases did the Congress try to impose on the parties that were agreeing additional requirements.

In particular, the amendment that has been proposed, we will not find that as part of any of the other compacts. This compact is like the others. It does not need a different amendment, and it should not have it.

I would say this, as well. We are opposed to this amendment because we have checked with the Governors of all three States. They are opposed to the amendments. There is no question that if this agreement, if this compact is amended here, it has to go back to the States and we start this process all over again. That spells delay.

Frankly, we have had enough delay in this process. We need to move ahead today. We need to vote to approve this compact. We do not need delay and added cost due to likely litigation. The compact was the result of years of negotiation and good faith by the three member States. They do not deserve additional costs and delays due to unwanted amendments.

Mr. Speaker, we must move this issue forward and allow Texas, Maine, and Vermont the opportunity to dispose of their low-level radioactive waste. I urge all Members to support this legislation.

Mr. HALL of Texas. Mr. Speaker I yield 2 minutes to the gentlewoman from Dallas, Texas, (Ms. EDDIE BERNICE JOHNSON).

Ms. EDDIE BERNICE JOHNSON of Texas. Mr. Speaker, we are at a crossroads. All of us support cancer treatment and X-rays. For the most part, much of that is done in our large university hospitals and medical centers and urban areas. We need to put the waste somewhere. It cannot be outside every doctor's office door or every hospital door. We must pick places that are sparsely populated.

There is no good answer, except we are not willing to sacrifice many of the scientific findings that we are using now to save people's lives. It is much more hazardous to have it scattered out all over very heavily populated areas.

If I thought for a moment that this would endanger the lives of the people that live somewhere in the area, in a very sparsely populated area, I would not be standing here. It is never comfortable to stand and speak against people that you stand with most of the time. But they are not going to be happy. If I represented the area, I would be standing in the same place they are standing, but I am representing a whole lot more people who are not willing to sacrifice what creates this waste.

None of us are willing to sacrifice cancer treatment, none of us are willing to sacrifice x-rays for diagnostic treatment. We are simply not going to do that. We must make hard choices, but we must find the best places that we can to deposit this waste. This is one of the best places we can come up with. It is sparsely populated, out in the middle of nowhere. Texas has more space than most States. But we are going to limit it to these two States.

The best environmental Governor that Texas has ever elected is Ann Richards. She stands for this legislation. As a matter of fact, she was very progressive in looking out for the environment in Texas.

□ 1230

Mr. DAN SCHAEFER of Colorado. Mr. Speaker, I yield 2 minutes to the gentleman from Maine (Mr. BALDACCI).

Mr. BALDACCI. Mr. Speaker, I thank the gentleman from Colorado (Mr. DAN SCHAEFER) for yielding me this time.

Mr. Speaker, this legislation has been before this body numerous times in the past. This legislation represents years of negotiation between the States of Maine, Vermont, and Texas. It is in each of those States' interest. The people in those States have voted for it. The Governors of those States support this. This Congress has approved compacts for 41 other States. This is no different.

I appreciate the concerns that have been raised, but those concerns will be addressed in the process. Each one of our Members knows that there will be an environmental impact statement. Just by voting for this approval for the process to move forward does not mean that the environment and the people and the public hearings that are to ensue will not occur. They will occur. So the public will be involved. The process will have the environmental safeguards, and the right siting will take place in regards to the public and the environment. To suggest otherwise is not to be accurate to the facts that take place.

Mr. Speaker, it is in our State's interest, it is in Vermont's State interest and it is in Texas' State interest. By law, Texas has to have a facility for the waste that it is producing. The States of Maine and Vermont are providing the resources with a low impact amount of waste in order to establish the compact, so that each one of our States will not be open to a site or trash or other things coming in from all over the country. That is why we were told and given legislation on a national level to form these compacts.

We are following through on the legislation that was initially passed in 1985. We are complying with the Federal legislation in the best interest of the people of our States. We ask for Congress to reaffirm its support that it had overwhelmingly supported in the past and to maintain that support and also to assure the citizens of the public hearings, the environmental impacts, and the process that will be taking place after this vote has been completed.

Mr. DAN SCHAEFER of Colorado. Mr. Speaker, I reserve the balance of my time.

Mr. HALL of Texas. Mr. Speaker, I yield 2 minutes to the gentleman from Texas (Mr. GREEN), the chairman of the Texas Democratic delegation, who would inform the Chair that the Texas group is meeting; and I suggest that he take the gentleman from Texas (Mr. REYES), the gentleman from Texas (Mr. RODRIGUEZ), and the gentleman from Texas (Mr. DOGGETT) with him.

(Mr. GREEN asked and was given permission to revise and extend his remarks.)

Mr. GREEN. Mr. Speaker, I thank the gentleman from Texas (Mr. HALL) for yielding me this time, and I will be glad to take my three colleagues to lunch today for our weekly luncheon.

Mr. BARTON of Texas. Mr. Speaker, if the gentleman would yield, does that include Republicans?

Mr. GREEN. Mr. Speaker, the gentleman may come as our guest.

Mr. BARTON of Texas. There is no such thing as a free lunch.

Mr. GREEN. Mr. Speaker, I rise in support of the conference committee regard.

Mr. Speaker, I have a prepared statement, and talking about the history of it, we have heard that already. Again, if we do not have a compact, then a State site in Texas will be subject to waste from all over the country.

The policy was developed in the State of Texas. I would not have picked Sierra Blanca if I had a vote, but I did not have a vote when I was in the legislature or a vote now as a Member of the House. That is going to be decided by the people in the legislature who confirm the people who make that decision and the governor appoints them.

Let me talk about some of the debate that we have had. One, the interstate commerce clause requires that Texas would take low-level waste from everyone if we do not have a compact. My colleague from California is opposed to it because of the Sierra Blanca location and the poor community. I represent a very poor community in Houston, Texas, and we have some of the same problems.

A statement, the letter from LULAC opposing the site, I am a member of LULAC and work with my local councils in Houston on a lot of issues and I share their concern. But, this is not the venue for their opposition. Granted, if they defeat it here, they could still create a compact and we could have it for

Texas, but it would be for all the country.

Mr. Speaker, I notice that the State of California does have a compact and I do not know where their site is. But I was wondering if it was in a site that was also a rural area that was sparsely populated, compared to an urban area. That is why this is something that has been done by this Congress many times before, allowing States to join together to dispose of these low-level nuclear wastes.

I have a district in an urban area and we have this material all over our district right now and we would like to have a permanent place for it.

Mr. Speaker, I rise in support of the Conference Report on H.R. 629, the Texas Compact Consent Act. This bill grants Congressional approval to the proposed Texas, Maine, and Vermont compact for low-level radioactive waste disposal and deserves the quick support of the House.

As my colleagues know, the national policy for managing low-level radioactive waste is spelled out in the Low-Level Radioactive Waste Policy Amendments Act of 1985. This policy was developed by the states and passed by Congress, with overwhelming bipartisan support.

The objective of the policy is to provide for the safe, permanent disposal of the nation's low-level waste.

Under the terms of the Texas-Maine-Vermont compact, low-level radioactive waste produced in each state will be carefully disposed at a single facility in the State of Texas. The waste will be transported from the hospitals, university research centers, utilities or other waste producers in each state to a safe, permanent disposal and storage facility which will be built in Texas.

It is very important to understand that H.R. 629 does not designate a site for the Texas disposal facility. In the Low-Level Radioactive Waste Policy Amendments Act of 1985, Congress clearly reserved for the states the authority to decide where low-level radioactive waste facilities would be built within their borders. Even though H.R. 629 does not designate a specific site for the Texas facility, federal and state law requires that any low-level radioactive waste facility built by a state must be engineered to withstand any potential natural disasters that might occur at the chosen site.

Much has been said about the proposed site for the waste disposal facility. In fact, a permit to build a waste disposal facility in West Texas has been requested from the Texas Natural Resources Conservation Commission. If the Commission finds that the permit meets all the necessary requirements, it will grant the permit. If the Congress does not approve this bill, under the Interstate Commerce Clause, Texas must accept low-level radioactive waste from other states. H.R. 629 will allow Texas to limit who sends waste to the facility and be in compliance with the Low-Level Radioactive Waste Policy Act.

With this compact in place, Texas will be able to limit access to its facility to only those states that are signatories to the compact—Maine and Vermont. The compact makes it possible to manage Texas' facility in an orderly, effective manner. Without the compact, the State of Texas would have no effective control over access.

The Texas, Maine, and Vermont compact is an excellent arrangement for the three states. It received overwhelming bipartisan support in the state legislatures of the three states. At a time when state budgets are constrained, the ratification of this compact will result in shared cost for the construction and subsequent operation of the low-level waste disposal facility.

Since 1985, the Congress has approved nine compacts which now include 41 states. It is vitally important that we move forward with the approval of the Texas-Vermont-Maine compact. I urge my colleagues to support this very important bill.

Mr. REYES. Mr. Speaker I reserve the balance of my time.

Mr. HALL of Texas. Mr. Speaker, I yield 3 minutes to the gentleman from Texas (Mr. TURNER).

(Mr. TURNER asked and was given permission to revise and extend his remarks.)

Mr. TURNER. Mr. Speaker, it is not every day that we see the Texas delegation on the floor of this House divided. Normally, we are a group who hangs together. It is true, however, that six of our members, out of 31, have opposed this compact, I think primarily because it is a local issue with them, and I understand that. I fought a low-level nuclear waste disposal facility in my legislative district when I was a member of that body in 1981, and I understand where they are coming from.

But I think it is important for the other Members of this body to understand that, though six Texans out of 31 oppose this compact, that this compact really is not about the selection of the site. In fact, under this compact, the State of Texas and the Low-Level Nuclear Waste Disposal Authority could select any site. It just so happens that the Sierra Blanca site is the site now under consideration. But that is a matter that will remain under the control of the Low-Level Nuclear Waste Disposal Authority in Texas.

Mr. Speaker, I want to share a little bit of history. The State of Texas created a Low-Level Nuclear Waste Disposal Authority in our State in 1981 when I was a freshman member of the Texas House. We did it because we were having an increasing problem at our medical facilities and with our utilities and finding out where we could permanently dispose of low-level waste. What we decided to do was create a State commission to select a permanent site. It was the right thing to do. It was approved unanimously by the legislature.

Later, the Congress came along and created a statute that said that States could form compacts, compacts for the purpose of uniting States together that would store their waste in one site facility, a means whereby a State like Texas can prevent out-of-State waste from coming into Texas.

This Congress passed that bill, and 41 States have already taken advantage of it, and nine compacts have been ratified by this Congress. Texas, Vermont, and Maine come today asking that they be the tenth compact to be approved. The Texas legislature overwhelmingly approved this compact.

Mr. Speaker, I urge the Members of this body to join with the majority of the members of the Texas delegation and allow Texas, Vermont, and Maine to be the tenth compact to be approved by this Congress. This is an issue that will not go away. The low-level nuclear waste that is building up in temporary stockpiles in Texas will not go away. We need this compact, and we urge our colleagues to support us in this effort.

Mr. REYES. Mr. Speaker, I yield myself 1½ minutes.

Mr. Speaker, with all deference to the gentleman from east Texas, he made the statement that this is an issue that will not go away. He is absolutely right. The issue will not go away. But with the decision that we are making here today, we expect that a whole community can potentially go away.

We have been called crazy because we are in opposition to this. I think it would be irresponsible not to oppose a proposal that could affect a whole area, a whole region. It could affect up to 5 million people that utilize the Rio Grande River as a primary water source. It could affect the underground water tables. It could conceivably affect a whole region of our border area.

We have been told that to send it back would be to delay it. Well, I would ask my colleagues, with all due respect, what do they expect us to do when we have got the consequences facing us that could potentially affect future generations of west Texans in a way that we at this point cannot even imagine?

I ask my colleagues who are talking about what a good deal it is, how it can be very safe, how it has been well thought out, how it will be well packaged, if it is so good, why do they not take it? Why do they not put it in their district? Why do they not put it in a place where the people want it?

Mr. Speaker, the people of Sierra Blanca, the people of El Paso, the people along the border in our region simply do not want it. We have been told that Governor Richards and Governor Bush want it. Let them hear loud and clear that in this area, we do not want it. We do not need it. And we should not have it.

Mr. Speaker, I rise in opposition to the conference report on H.R. 629. As I mentioned earlier, I do not believe we should be considering a conference report that ignores the will of the House and Senate. I do not believe we should be considering a conference report that has stripped a key provision from the bill that both the House and Senate had adopted. Unlike both the House and Senate passed measures, the conference report does not include a provision that would restrict waste at the selected site of the states of Texas, Maine and Vermont.

As far as I am concerned, that's reason enough not to move this bill forward.

But, if you need another reason to vote against this conference report, I'd like to enter into the record an article printed in The Dallas Morning News on July 8.

As you can see, two Texas hearing examiners recommended against licensing a low-level

nuclear waste dump in the far West Texas community of Sierra Blanca. The hearing examiners explained that the ''State Low-Level Radioactive Waste Disposal Authority did not adequately determine whether a fault under the site posed an environmental hazard.''

The examiners further stated that the Authority did not adequately address how the proposed facility might harm the quality of life in the area.

These findings are further evidence that the proposed radioactive waste dump is a potential environmental hazard which has not undergone adequate study by various state agencies. If Texas state regulators don't support the Sierra Blanca site, why should you?

I don't care how many times supporters of this bill say that a vote for H.R. 629 is not a vote for the Sierra Blanca site—it is. They know it, I know it, the people of Sierra Blanca know it and you know it. If H.R. 629 becomes law, it will endanger the safety and welfare of the community and the people who live there.

If you need still another reason to oppose this conference report, I want to enter into the record a copy of the resolution that unanimously passed the Mexican Congress. This resolution was passed on April 30 of this year.

Let me read some of it to you. ''The Mexican Congress declares that the proposed project of Sierra Blanca, Texas, like other proposed disposal facilities on the Mexican border, puts at risk the health of the population in the border zone and constitutes an aggression to our national dignity.''

''The position that the Mexican government assumes with relation to the proposed disposal facility of Sierra Blanca will constitute a clear precedent that can be invoked relating to disposal facilities that are planned in the future within 100 kilometers along the common border.''

''This represents high potential risk of contamination for the Rio Bravo and the underground aquifers, which could cause a negative impact for the health of the population, the environment, and the natural resources on both sides of the border.''

''The construction of the disposal facility in dispute would violate the spirit of . . . international law and would implicate the noncompliance of the commitments assumed by the United States after the signature of the 1983 Agreement on Cooperation for the Protection and Improvement of the Environment in the Border Area—better known as the La Paz Agreement—particularly Article 2 of the Agreement, which states: 'The Parties undertake to the fullest extent practical to adopt the appropriate measures to prevent, reduce, and eliminate sources of pollution in their respective territory which affect the border area of the other.'''

The Agreement also ''commits the Parties to cooperate in reciprocity, and mutual benefit. In complying with these dispositions, the United States Government must take measures in this case with the appropriate authorities, in order that the Sierra Blanca project not be authorized.''

The Resolution further states, ''due to the adverse effects that this project could have on the health of [the Mexican] population and the natural resources, we present the following Pronouncement:

''We reiterate our complete rejection of the project which is the construction and operation of the nuclear waste disposal facility that the Government of Texas plans to build in Sierra Blanca, Texas, and express our disagreement, concern, and unconformity with the policy adopted and followed up to now by the Government of the United States, that favors the construction of disposal facilities on the southern border with Mexico, without taking into account the potential negative impacts that this policy can have regarding human health and the environment in the communities located on both sides of the border.''

The Mexican Congress asks the ''House of Representatives of the United States to vote against the Compact Law that authorizes the disposal of wastes between the states of Texas, Maine, and Vermont in virtue that its approval signifies a relevant approval for the construction and management of the disposal facility of radioactive wastes in Sierra Blanca, Texas and represents a violation of the spirit of the La Paz Agreement.''

Mr. Speaker, I urge all of my colleagues to listen to the Mexican Congress and to the people of far West Texas. Vote against this conference report because it's the right thing to do.

Mr. Speaker, I include the following material for the RECORD:

[From the Dallas Morning News]

EXAMINERS RECOMMEND NO LICENSE FOR PROPOSED NUCLEAR-WASTE DUMP—STATE AGENCY HASN'T FULLY EXPLORED POSSIBLE HAZARDS OF W. TEXAS FACILITY, THEY SAY

(By George Kuempel)

AUSTIN.—In a victory for environmental groups, two state hearing examiners Tuesday recommended against licensing a low-level nuclear-waste dump in far West Texas.

The recommendation was a setback for Gov. George W. Bush, who has tentatively backed the proposed dump, near Sierra Blanca just 18 miles from the Rio Grande.

The hearing examiners found that the State Low-Level Radioactive Waste Disposal Authority, which wants to build the facility, did not adequately determine whether a fault under the proposed site posed an environmental hazard.

Kerry Sullivan and Mike Rogan of the State Office of Administrative Hearings also said the agency failed to adequately address how the proposed facility might harm the quality of life in the area.

The examiners' report was forwarded to the three-member Texas Natural Resource Conservation Commission.

The commission staff already has recommended that a license be issued, but the final decision rests with the commissioners, all of whom were appointed by Mr. Bush.

Their decision is not expected soon.

Congress is considering a proposed pact favored by Mr. Bush that would allow for low-level nuclear waste from Texas, Vermont and Maine to be buried at the site.

Mr. Bush said in a written statement that he was ''troubled'' by the examiners' findings.

''I have said all along that if the site is not proven safe, I will not support it,'' he said. ''I urge the Texas Natural Resource Conservation Commission to thoroughly review this recommendation and the facts and to make their decision based on sound science and the health and safety of Texans.''

Democrat Garry Mauro, who is running against Mr. Bush in this year's governor's race, praised the examiners' ruling.

''I hope Governor Bush calls on his three [TNRCC] appointees to immediately reject this permit,'' he said.

Mr. Mauro said that he is pleased the administrative judges also raised the ''specter of environmental racism'' but that he is sorry they didn't address Mexico's concerns about a possible treaty violation.

Critics have said Sierra Blanca was chosen because of its largely poor Hispanic population, an allegation that supporters have disputed.

Mexican lawmakers visited Austin last month to protest the dump, saying it would violate an agreement between the nations to curb pollution along the border.

Mr. Sullivan and Mr. Rogan spent three months hearing from both sides on the issue.

Dump opponents said they were pleased with the findings.

''Politically and legally, it's a victory,'' said Bill Addington, a merchant in Sierra Blanca, a town of 700 in Hudspeth County, about 90 miles southeast of El Paso. ''The authority has not done its job, even with all the money and resources they have at their disposal.''

But Mr. Addington also was cautious because the final decision on the dump license rests with the TNRCC, which is not bound by the hearings officers' recommendation.

The dump, which would be built on a sprawling ranch just outside the rural town, is intended to hold radoactive waste primarily from the state's utilities hospitals and universities.

It spawned opposition from critics in West Texas and Mexico, who fear that it would contaminate precious groundwater reserves.

Unofficial Translation of Pronouncements passed by the Mexican National Chamber of Deputies (Camara de Diputados) and Senate in opposition to the proposed nuclear waste disposal facility in Sierra Blanca, Texas. Translation by Richard Boren

The Pronouncement was approved unanimously by the Chamber of Deputies on April 27, 1998 and by the Senate on April 30, 1998. The Senate and Chamber of Deputies Pronouncements are nearly identical. Following is the translation of the Senate Pronouncement.

PRONOUNCEMENT OF THE UNITED COMMISSIONS OF ENVIRONMENT AND NATURAL RESOURCES, BORDER AFFAIRS, AND FOREIGN RELATIONS OF THE SENATE OF THE REPUBLIC REGARDING THE NUCLEAR WASTE DISPOSAL FACILITY THAT IS PLANNED IN SIERRA BLANCA, TEXAS

Honorable Assembly: The United Commissions of Environment and Natural Resources, Border Affairs, and Foreign Relations of the Senate was given for their study and analysis the point of agreement passed by the Plenary of the Permanent Commission of the Honorable Congress of the Union on February 11, 1998, that is transcribed as follows:

First—That the Mexican Congress, through the Permanent Commission, declares that the proposed project of Sierra Blanca, Texas, like other proposed disposal facilities on the Mexican border, puts at risk the health of the population in the border zone and constitutes an aggression to the national dignity;

Second—That the United Commissions of Ecology and Environment, Border Affairs, and Foreign Relations of the House of Deputies and the Senate, meet with the Intersectarial Group made up of the Department of Foreign Relations, Department of Energy, Environment, Natural Resources and Fishing, and the National Commission of Nuclear Safety and Safeguarding, in order to analyze in depth the consequences for Mexico of the installation of the radioactive waste disposal facility in Sierra Blanca and of the disposal facilities of toxic and radioactive wastes in the border zone of the country with the United States of America, with the purpose of carrying out the pronouncements and necessary measures to impede their installation.

In order to proceed and comply with the mandate granted by the Plenary of the Permanent Commission of the Honorable Congress of the Union, the members of the United Commissions of Environment and Natural Resources, Border Affairs, and Foreign Relations of the Chamber of Senators, have analyzed existing documentation and studies about the radioactive waste disposal facility that is planned in Sierra Blanca, Texas, meeting on various occasions to design a political action strategy. Likewise a work session was held with the intersectarial group, with the purpose of integrating the present Pronouncement.

Considering That: (a) the communities on both sides of the border, diverse non-governmental organizations, political organizations, and public officials from Mexico and the United States of America have manifested their total opposition to the construction of the nuclear waste disposal facility that the government of the State of Texas plans to install in the community of Sierra Blanca, Texas, at a distance of approximately 30 kilometers from the Mexican border;

(b) the administrative authorities of the State of Texas convened public hearings with the purpose of hearing the opinions of interested sectors regarding the possible construction of the disposal facility in Sierra Blanca;

(c) the position that the Mexican government assumes with relation to the proposed disposal facility of Sierra Blanca will constitute a clear precedent that can be invoked relating to disposal facilities that are planned in the future within 100 kilometers along the common border;

(d) the intersectarial group—created in 1995 by the Federal Executive Power with the purpose of defining the policy of the Mexican government regarding disposal facilities in the border zone and to continue to review the projects that are planned in the states of the southern United States—wrote a preliminary study regarding the disposal facility being questioned;

(e) the United Commissions have received diverse studies that demonstrate the existence of risks in the zone, not only the seismic activity of the terrain, but also due to the meteorological and hydro-geological registers observed in the chosen site. This represents a high potential risk of contamination for the Rio Bravo and the underground aquifers, which could cause a negative impact for the health of the population, the environment, and the natural resources on both sides of the border;

(f) other adequate sites exist in the United States for the installation of radioactive waste disposal facilities, located outside of the border zone of 100 kilometers which shows that the chosen site in Sierra Blanca doesn't represent the only option for the proposed project;

(g) the radioactive wastes that are planned for disposal in Sierra Blanca, next to the Mexican border, don't only include wastes generated in the State of Texas, but also it is foreseen to deposit wastes from the states of Vermont and Maine, located on the border between United States and Canada;

(h) the construction of the disposal facility in dispute would violate the spirit of diverse precepts of international law and would implicate the noncompliance of the commitments assumed by the United States after the signature of the Agreement on Cooperation for the Protection and Improvement of the Environment in the Border Area (La Paz Agreement), particularly Article 2 of the Agreement approved in 1983, which states: ''The Parties undertake to the fullest extent practical to adopt the appropriate measures to prevent, reduce, and eliminate sources of pollution in their respective territory which affect the border area of the other.'' In like manner, the Agreement commits the Parties to cooperate in the field of environmental protection in the border zone, on the basis of equality, reciprocity, and mutual benefit. In complying with these dispositions, the United States Government must take measures in this case with the appropriate authorities, in order that the project not be authorized.

On the basis of what has already been stated and being founded in articles 58 and 59 of the Rules for the Interior Government of the General Congress of the United Mexican States, just as for dealing with a matter that merits an urgent resolution of the Honorable Senate of the Republic, due to the adverse effects that this project could have on the health of our population and the natural resources, we present the following Pronouncement.

Pronouncement

First—the Senate of the Republic reiterates its complete rejection of the project which is the construction and operation of the nuclear waste disposal facility that the Government of Texas plans to build in Sierra Blanca, Texas, and expresses its disagreement, concern, and inconformity with the policy adopted and followed up to now by the government of the United States, that favors the construction of disposal facilities on the southern border with Mexico, without taking into account the potential negative impacts that this policy can have regarding human health and the environment in the communities located on both sides of the border.

Second—The Senate of the Republic has carried out an evaluation of the available information about this disposal project, whose result demonstrates that its operation will bring with it potential adverse impacts. Based on this, being aware that the administrative authorities in the State of Texas have convened public hearings with the intention of analyzing the implications derived from the construction of said project, it is appropriate that the Mexican Government reiterate their concern and inconformity in light of the possibility that the project will be authorized.

Third—The Senate of the Republic sets forth to the Department of Foreign Relations to consider the formulation of the following proposals to the United States Government:

(a) Manifest the disagreement of the Senate of the Republic regarding the policy of the United States that favors the installation of nuclear and toxic waste disposal facilities in the border area.

(b) Insist in the possibility of relocating the Sierra Blanca project to a site located outside of the 100 kilometer common border zone.

(c) Manifest the wishes of the Senate of the Republic to the members of the House of Representatives of the United States so that they vote against the Compact Law that authorizes the disposal of wastes between the states of Texas, Maine, and Vermont in virtue that its approval signifies a relevant approval for the construction and the management of the disposal facility of radioactive wastes in Sierra Blanca, Texas and represents a violation of the spirit of the La Paz Agreement.

(d) Include the subject of the disposal facilities for radioactive and toxic wastes in the next meeting of the Mexico-United States Bi-national Commission in order to:

I. design criteria for the installation and operation of disposal facilities in the border zone of 100 kilometers within the framework of the La Paz Agreement and the Border 21 Program, in order to include the possibility of establishing a reciprocal moratorium on the installation of disposal facilities for radioactive waste inside the 100 kilometer border zone,

II. establish that a group of experts from both countries analyze the impacts of the proposed disposal facilities in the 100 kilometer border zone.

Fourth—The Senate of the Republic proposes:

(a) To inform the Governors and municipal mayors of the states of the Republic of Mexico in the border zone with the United States about the current status of the Sierra Blanca project and other disposal projects that are being planned in the 100 kilometer border zone with the objective of adopting any measures that are considered opportune.

(b) To transmit existing information about the Sierra Blanca project to the local legislatures of the border states of the Mexican Republic with the objective of making this information available to them so they can adopt any measures which they consider appropriate.

(c) That a multi-party commission of senators be formed with the purpose of meeting with the governor of Texas, George Bush, with the purpose of telling him that the Mexican Senate believes that the Sierra Blanca project violates the spirit of the commitments made with the signing of the La Paz Agreement and that are linked to the state which he governs and which don't contribute to the strengthening of the good relations of friendship and neighborliness that must prevail between both countries.

Fifth—That the Senate of the Republic proposes including this matter in the agenda of the next interparliamentary meeting between Mexico and the United States.

Sixth—The Senate of the Republic expresses that this case constitutes a valuable opportunity for both countries to demonstrate their good will, responsibility, and capacity for cooperating in dealing with similar matters of common interest.

Seventh—So that the public opinion has greater knowledge on this subject, it is suggested to prepare as soon as possible a document that can be disseminated through the national and international media, in order to express the nature of this problem and the current status of the project in dispute.

Approved in the Honorable Chambers of the Senators April 30, 1998.

TESTIMONY OF REP. SILVESTRE REYES, JULY 29, 1998

Mr. Speaker, I want to make sure that every member of this House is aware of the substantial opposition to this compact. I want to read you a list of those cities and counties that have passed resolutions opposing it:

El Paso County, Presidio County, Jeff Davis County, Culberson County, Val Verde County, Webb County, Starr County, Hidalgo County, Cameron County, Zapata County, Reeves County, Brewster County, Ward County, Sutton County, Kimble County, Kinney County, Crockett County, Pecos County, Maverick County, Ector County, City of Austin, City of Del Rio, City of Bracketville, City of Marfa, City of Van Horn, City of El Paso, City of Alpine, Horizon City, City of Ft. Stockton, City of Laredo, City of Eagle Pass, City of Presidio, City of McAllen, City Council of Juarez.

Mexican State Congress of Coahuila, Mexican State Congress of Chihuahua, Mexican State Congress of Nuervo Leon, Mexican National Chamber of Deputies, Mexican National Senate, Mexican State Congress of Sonora, Mexican State Congress of Tamaulipas.

Mr. Speaker, I also want to enter into the record a letter dated yesterday from the League of United Latin American Citizens.

LULAC is asking all members of this House to vote NO on the conference report for H.R. 629.

As most of you know, LULAC is the oldest and largest Hispanic civil rights organization in the nation. Let me read part of their letter to you:

''The selection of a poor Mexican-American community (which is already the site of one of the largest sewage sludge projects in the country) brings to mind serious considerations of environmental justice . . . The decision Congress now faces on this matter cannot be made in a vacuum, ignoring serious environmental justice questions that have been raised about the site selection process. These unjust procedures are in apparent contradiction of the 1994 Executive Order that firmly upheld environmental justice.''

''LULAC would caution Congress not to be complicit in what has become, whether intentional or not, a repulsive trend in this country of setting the most hazardous and undesirable facilities in poor, politically powerless communities with high percentages of people of color. Only a vote against the Texas Maine Vermont Radioactive Waste Compact conference committee report will ensure that this trend is not extended into Hudspeth County Texas.''

I urge all of my colleagues to follow the advice of LULAC and vote against this conference report.

LEAGUE OF UNITED LATIN
AMERICAN CITIZENS,
Washington, DC, July 28, 1998.

DEAR REPRESENTATIVE: On behalf of the League of United Latin American Citizens (LULAC), I urge you to vote No on the Conference Committee Report for The Texas Maine Vermont Radioactive Waste Compact. LULAC is the oldest and largest Hispanic civil rights organization in the nation. Since 1929, we have been providing a voice to our community throughout the U.S. and Puerto Rico. A major concern of ours is the proposed site of a nuclear waste dump near Sierra Blanca in Texas.

As you know, The Compact proposes the construction of shallow, unlined soil trenches for the burial of ''low-level'' radioactive waste. LULAC strongly opposes this Compact. Serious issues of environmental justice and blatant discrimination arise when one considers this bill. One should not only vote against this proposal because of serious environmental and health matters, but also because of the racial discrimination practiced against the predominantly Mexican-American population of the area.

Just this month, two Texas administrative law judges recommended the Sierra Blanca compact dump license be denied because of severe geological problems and unanswered questions about environmental racism. If Congress ignores these problems and approves the compact, thus funding the dump, tremendous pressure will be placed on the political appointees at the Texas Natural Resource Conservation Commission to approve the license despite the judges' recommendation to deny it.

The selection of a poor Mexican-American community (which is already the site of one of the largest sewage sludge projects in the country) brings to mind serious considerations of environmental justice. Although the bill does not expressly designate Hudspeth County as the location for the site, the Faskin Ranch near Sierra Blanca has clearly been earmarked and a draft license has been approved. The decision Congress now faces on this matter cannot be made in a vacuum, ignoring serious environmental justice questions that have been raised about the site selection process. These unjust procedures are in apparent contradiction of the 1994 Executive Order that firmly upheld environmental justice.

There are also matters of international relevance that must be considered. The dumping of nuclear waste near Sierra Blanca, approximately 16 miles from the Rio Grande, would violate that 1983 La Paz Agreement between the U.S. and Mexico. With this agreement, both nations committed their efforts to prevent, reduce and eliminate pollution in the U.S./Mexico border area. The proposed site is well within the ''border area'' of 63 miles on each side of the border. The government of Mexico has already expressed its strong opposition to the project in communications to the U.S. Department of State. LULAC would caution Congress not to be complicit in what has become, whether intentional or not, a repulsive trend in this country of setting the most hazardous and undesirable facilities in poor, politically powerless communities with high percentages of people of color. Only a vote against The Texas Maine Vermont Radioactive Waste Compact Conference Committee Report will ensure that this trend is not extended into Hudspeth County.

Thank you for your consideration of this issue. If you need more information please call Cuauhtémoc Figueroa, Director of Policy and Communications at (202) 408–0060.

Sincerely,

RICK DOVALINA,
LULAC National President.

Mr. REYES. Mr. Speaker, I reserve the balance of my time.

Mr. BONILLA. Mr. Speaker, I yield myself the balance of my time.

Mr. Speaker, I first of all would like to thank the gentleman from Colorado (Chairman SCHAEFER) and the gentleman from Texas (Chairman BARTON) and the gentleman from Texas (Mr. HALL), my friend, who were speaking in support of this bill today. They have been most gracious in allowing those who have strong feelings about this conference report to work with them very closely, and I just wanted to express my appreciation for that.

The whole idea of having compacts is one that I have no problem with, and I do not think Members generally have a problem with the process of States getting together to decide where waste is going to go. Of course, then, as I stated strongly over and over again for many years now, the problem that I have and other Members who have nearby congressional areas in Texas have, is the threat to the environment in this area, the unstable geology, and also the threat to the economic future of these communities.

Quite simply speaking, they do not want it there. Again, I have 20 counties and 13 cities and municipalities on record as opposing this conference report and this whole idea. There is a county in Texas that is very strongly in favor of having this kind of dump in their community and I would gladly work with that community to try to have this dump moved to that area in the future, if that is even a possibility.

Though the whole idea of having places to put nuclear waste, low-level radioactive waste is an issue that I understand is very necessary, I know that my colleagues understand how strongly at this point my people feel about this issue, as do I.

There is another issue I want to bring up as well. All of us in Texas are going through an incredible drought at this point. The agriculture community is suffering. Local governments are implementing water rationing in some areas. I want to emphasize above all that now should be the time that we understand, as Texans, that any potential threat to water supplies in any community in Texas is something that we should all be concerned about.

I do not think any of us have anticipated being at this point in Texas right now with the shortage of water and the unbearable heat that is upon us every day at this time in Texas with no end in sight. So I would appeal to my colleagues in other areas of the State and other parts of the Nation suffering from droughts and heat waves that they could identify with the needs that could occur if the water supplies were threatened by a dump like this in the future.

So, I thank my colleagues for working with me on this issue and I ask them, I plead for every citizen in my congressional area who has ever pleaded with me to make their case before this body. I hope that I have made it and I hope that we have had an impact on those who are considering opposing this conference report. The people of West Texas need all the help they can get.

☐ 1245

Mr. DAN SCHAEFER of Colorado. Mr. Speaker, I yield 2 minutes to the gentleman from Texas (Mr. HALL).

Mr. HALL of Texas. Mr. Speaker, I yield myself the balance of my time.

The SPEAKER pro tempore (Mr. QUINN). The gentleman from Texas (Mr. HALL) is recognized for 2 minutes and 30 seconds.

Mr. HALL of Texas. Mr. Speaker, I thank the gentleman for yielding me the time.

I could not close without sending accolades toward the gentleman from Texas (Mr. BONILLA), the gentleman from Texas (Mr. REYES), the gentleman from Texas (Mr. RODRIQUEZ), the gentleman from Texas (Mr. DOGGETT). They have done a good job. They have been an honorable opposition, and they have been an effective opposition. Because no matter how the vote goes, I think the vote is going to go favorable on this, as it has before, but regardless of the outcome of this vote, they have made it a better compact.

Their opposition has spawned article 3 where it provides a way to amend the contract or to protect the depository State if the commission, in its wisdom, decides not to allow any other waste to come into the State. Then that is set up as to how that is done. There are 6 voting members. The host State has 6 voting Members. Each of the other two States have one. So the State of Texas, where it will be deposited, has the right to determine whether or not any other waste comes into the State.

We have to have faith in those who are going to represent the State and

the local bodies in the future. I have that faith. I think it is going to work. On local support, on how good it has been, everybody out in Sierra Blanca and Hudspeth County and all of west Texas does not oppose this compact. Actually, there has been some signatures by a lot of adult citizens from Sierra Blanca asking for it. It has not been without meetings and keeping them advised. They have had monthly meetings out there, since 1992, in Hudspeth County to address the concerns, the concerns that are there. Perhaps this came about because of the insistence of the gentleman from Texas (Mr. REYES) that they be kept advised of it.

Benefits to Sierra Blanca, the host county has received over $2 million in benefits payable through housing, additional housing, medical services and others. They are going to receive $5 million from the other two States. They are going to receive a half a million dollars per year after start-up. This brings prosperity, it brings jobs. It brings opportunity. That brings dignity to this part of the State.

I think, as has been said before, the relations to earthquakes and all these others things, there is protection against that.

I urge the passage of this amendment.

Mr. REYES. Mr. Speaker, I yield the balance of my time to the gentleman from Texas (Mr. DOGGETT).

Mr. DOGGETT. Mr. Speaker, I would close by simply emphasizing to my colleagues 5 points.

First, when we talk about this radioactive waste as being low level, that is good for public relations purposes but not for health purposes. The radioactive waste that will be buried at Sierra Blanca will be deadly to human beings for longer than all recorded human history. It is extraordinarily lethal and makes this debate all the more important.

Number two, the Sierra Blanca site was not chosen because of its suitability but solely because of its vulnerability, its political vulnerability, which is playing out here today. It was not the best site for a storage facility. It was the easiest site, because it is a largely poor, Hispanic area.

That is one of the reasons that the Texas State conference of the NAACP this year called this ''environmental racism.'' It is one of the reasons that the League of Conservation Voters has spotlighted this as one of the key anti-environmental votes of this Congress.

Number three, we do not need this dump. It is great public relations to talk about slowing scientific research or the health isotopes that are vital to the future of our health, but that has absolutely nothing to do with what is really at stake in this debate. We have heard much about all the other compacts that have already been approved. What our colleagues have not pointed out is that of those 9 compacts that Congress has approved, not one of them has secured a license agreement, not one. And two of them have actually stopped looking for a site. This leads to the conclusion that if they sought those compacts, but they are not doing anything with them, why should we approve another one in Texas?

Indeed, as the most recent report on radioactive waste storage by Dr. F. Gregory Hayden has pointed out, ''There is currently an excess capacity for this type of disposal in the United States without any change to current law or practice.''

That leads to the fourth and very important point, that the safeguards that are in this compact, without the amendments that have been stripped out, are meaningless.

My colleague, the gentleman from Texas (Mr. HALL) from Rockwall, is always eloquent, and he has been very candid in this debate. He has said it is not the fellow with the biggest truck that is going to be decisive here. I agree.

My concern is it will be determined by the place with the biggest dump. We all know Texas is bigger than most any other place, and we are about to have one heck of a big dump out there in west Texas. It will become the dumping site for all the people from those other places around the country because, as Mr. HALL has quite appropriately noted, and I quote him from this debate today, ''It might reduce the operating cost.''

The economic factors for those special interests, who want a cheaper place to put their radioactive garbage and found a convenient place among the poor people of Sierra Blanca, who now will have no adequate safeguards.

To suggest that the compact limits it to 20 percent from out of State is misleading. If we read the fine print, it is 20 percent that could come from Maine and Vermont, but there is no limitation that I see with regard to the rest of the States.

Finally, my colleague, the gentleman from Texas (Mr. BARTON) has been fair and direct with me. He told me on this floor that he would check with the governor. That is exactly what he did.

My final point is that without the blessing of Governor George Bush, we would be limited to three States. Governor Bush said one thing in Texas; he did another in Washington. That is most unfortunate for Texas.

Mr. DAN SCHAEFER of Colorado. Mr. Speaker, I yield 3 minutes the gentleman from Texas (Mr. BARTON), the author of the bill.

Mr. BARTON of Texas. Mr. Speaker, I will try to go through this very quickly. I believe my good friend from Austin was the president of the student body at the University of Texas. He obviously has a golden throat and is able to weave words very carefully. I was just a poor engineering student at Texas A&M trying to see how to use a slide rule so I do not claim that I am as elequent as he is.

I did try to list his 5 points down as he enumerated them. He talked about waste being there for all mankind. Eighty-five percent of the waste is going to decay to harmless levels within 30 years. Ninety-eight percent within harmless levels within 100 years. The canisters are designed to last 500 years. I do not think there is any question but there will not be any danger if we accept this waste on this site.

He talked about site location. That has been determined by the State of Texas, not by the U.S. Congress.

He talked about the administrative law judge saying that we do not really need a site. Actually the administrative law judge said that there is no other acceptable site. The waste that is being generated now at 97 locations in Texas and several in Vermont and Maine is being stored on site. The administrative law judge says that is simply not acceptable. He talked about the safeguards being meaningless. Again, the administrative law judge, in their application review, has said that we should limit the amount of waste stored to no more than 1 million curies.

The gentleman from Texas (Mr. HALL) has pointed out there are going to be 6 commissioners from Texas and one from Vermont and Maine. They will have the safeguards of the populations of their States high in their mind.

I guess to close I would simply state that we have debated this issue several times. It passed the House in October, 309 to 107. Hopefully it will pass again with a margin that large in the very next few minutes.

Let us do the right thing. Let us let Texas, Vermont and Maine adopt this compact, and let them go about the business of safeguarding the low-level waste that these three States generate.

Mr. DAN SCHAEFER of Colorado. Mr. Speaker, I yield myself the balance of my time.

Mr. Speaker, I think we have heard eloquent debate here. I do have to say, I feel like a little bit of an orphan here between Maine and Vermont and Texas, being from the State of Colorado, but I think what our committee has done is the right thing, to move this legislation, give it a chance to rise or fall on its merits here on the floor by a democratic process.

I think it is an important thing also to notice, I mentioned before, if we do nothing, then Texas may well have to be taking waste from a number of States, not just in addition to Maine and Vermont.

I thank the gentleman from Texas and the other gentlemen from Texas. And I would also like to say to the gentleman from Texas (Mr. BONILLA), his efforts on this have been admirable. We have worked real hard on this one over a period of time. I think that he has done a terrific job on this.

Ms. JACKSON-LEE of Texas. Mr. Speaker, I rise in support of the Texas Low-Level Radioactive Waste Disposal Compact going to conference. This agreement will allow the State of Texas, Maine and Vermont to enter

into an agreement to dispose of Low-Level Radioactive Waste produced in their states.

The Congressional consideration of this bill was thorough and thoughtful and we must at this time allow a contractual agreement to be developed by Texas, Maine, and Vermont for the cooperative resolution of the problem of disposing of low-level radioactive waste.

The Commerce Clause found in Article I, Section 8, Clause 3 of the United States Constitution provides that Congress—not the States—has the power to regulate commerce among states. * * * This clause has been interpreted by the courts to restrict a state's ability to regulate in a manner that would be an impermissible burden or discriminate against interstate commerce.

Under this law, without the Compact's protection, the site if opened in Texas would be forced to take Low-Level Radioactive Waste from all fifty states.

Through legislative action in 1980 and 1985, the Congress encouraged states to form compacts to provide for new low-level radioactive waste disposal. Since 1985, 9 interstate low-level radioactive waste compacts have been approved by Congress, encompassing 41 states.

All radioactive materials lose radioactivity at predictable rates. Therefore, agreements are necessary for the proper disposal and storage of low-level radioactive waste until it reaches harmless levels at the end of 100 years.

This compact would not designate a particular site, but only the agreement among the participating states for the development of a low-level radioactive facility.

My position on any site location, which I have expressed in the past, is that public hearings must and should be part of the process in order to give concerned citizens an opportunity to express their views on the site and that no site be selected that presents an undue burden on people with low incomes. I will continue to work with my Texas congressional colleagues who seek to resolve this questionable process that has allowed a low-income minority area to be selected, for the site in Texas.

Before any final decision of location is made these hearings should allow for proper comment and evaluation of those comments to take place. It is my understanding that the Texas state planners are committed to as public a process as possible.

The Texas Compact specifies that commercial low-level radioactive waste generated in the party states of Texas, Maine, and Vermont will be accepted at the Texas Low-Level Radioactive Waste Disposal Facility. ''Low-Level radioactive waste is defined the same way as the Low-Level Radioactive Waste Policy Amendments Act of 1985, Public Law 99–240.

With the needs for storage facilities constantly increasing with the number of nuclear research projects and medical applications which use radioactive materials in their treatment of patients with serious illnesses this Compact is needed.

Commerce low-level radioactive waste typically consists of wastes from operations and decommissioning of nuclear power plants, hospitals, research laboratories, industries, and universities. Typical low-level radioactive waste is trash-like materials consisting of metals, paper, plastics, and construction materials that are contaminated with low-levels of radioactive materials.

A compact is a serious matter, and a compact regarding the disposal or storage of Low-Level Radioactive Waste is extremely important. This compact will be managed by the participating states and especially by the State of Texas with the greatest care and professionalism possible.

I urge my colleagues to support this compact.

The SPEAKER pro tempore. Without objection, the previous question is ordered on the conference report.

There was no objection.

The SPEAKER pro tempore. The question is on the conference report.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. REYES. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 305, nays 117, not voting 12, as follows:

[Roll No. 344]

YEAS—305

Aderholt	Condit	Hamilton
Allen	Cook	Hansen
Archer	Cooksey	Harman
Armey	Costello	Hastert
Baker	Cox	Hastings (WA)
Baldacci	Coyne	Hayworth
Ballenger	Cramer	Hefley
Barcia	Crane	Hefner
Barr	Crapo	Herger
Barrett (NE)	Cubin	Hill
Barrett (WI)	Cunningham	Hilleary
Bartlett	Danner	Hilliard
Barton	Davis (FL)	Hobson
Bass	Davis (VA)	Hoekstra
Bateman	DeGette	Horn
Bentsen	DeLay	Hostettler
Bereuter	Deutsch	Houghton
Berry	Dickey	Hoyer
Bilbray	Dicks	Hulshof
Bilirakis	Dingell	Hunter
Bishop	Dooley	Hutchinson
Bliley	Doolittle	Hyde
Blumenauer	Dreier	Inglis
Blunt	Duncan	Istook
Boehlert	Dunn	Jackson-Lee (TX)
Boehner	Edwards	John
Bono	Ehlers	Johnson (CT)
Borski	Ehrlich	Johnson (WI)
Boswell	Emerson	Johnson, E. B.
Boucher	Everett	Johnson, Sam
Boyd	Ewing	Jones
Brady (TX)	Fawell	Kaptur
Brown (CA)	Fazio	Kim
Brown (FL)	Foley	Kind (WI)
Brown (OH)	Fossella	King (NY)
Bryant	Fowler	Kingston
Bunning	Fox	Kleczka
Burr	Frank (MA)	Klink
Burton	Frelinghuysen	Klug
Buyer	Frost	Knollenberg
Callahan	Gallegly	Kolbe
Calvert	Ganske	LaFalce
Camp	Gejdenson	Lampson
Campbell	Gekas	Largent
Canady	Gephardt	Latham
Cannon	Gilchrest	LaTourette
Cardin	Gillmor	Lazio
Carson	Gilman	Leach
Chabot	Goode	Levin
Chambliss	Goodlatte	Lewis (CA)
Chenoweth	Goodling	Lewis (KY)
Christensen	Gordon	Linder
Clay	Goss	Lipinski
Clement	Graham	Livingston
Clyburn	Green	Lowey
Coble	Greenwood	Lucas
Coburn	Gutknecht	Luther
Collins	Hall (OH)	Maloney (CT)
Combest	Hall (TX)	Manton
Manzullo	Pomeroy	Smith, Adam
Martinez	Porter	Smith, Linda
Mascara	Portman	Snowbarger
Matsui	Poshard	Snyder
McCarthy (MO)	Pryce (OH)	Solomon
McCarthy (NY)	Quinn	Souder
McCollum	Radanovich	Spence
McCrery	Ramstad	Spratt
McDade	Redmond	Stearns
McHugh	Regula	Stenholm
McInnis	Riggs	Stokes
McIntosh	Riley	Stump
McIntyre	Rivers	Stupak
McKeon	Roemer	Sununu
Metcalf	Rogan	Tanner
Mica	Rogers	Tauscher
Miller (FL)	Rohrabacher	Tauzin
Minge	Roukema	Taylor (MS)
Mollohan	Royce	Taylor (NC)
Moran (KS)	Ryun	Thomas
Moran (VA)	Sabo	Thornberry
Murtha	Salmon	Thune
Myrick	Sanders	Thurman
Neal	Sandlin	Tiahrt
Neumann	Sanford	Traficant
Ney	Sawyer	Turner
Northup	Saxton	Upton
Norwood	Scarborough	Vento
Nussle	Schaefer, Dan	Walsh
Oberstar	Schaffer, Bob	Wamp
Obey	Scott	Watkins
Olver	Serrano	Watts (OK)
Oxley	Sessions	Weldon (FL)
Packard	Shadegg	Weldon (PA)
Parker	Shaw	White
Paxon	Shimkus	Whitfield
Pease	Shuster	Wicker
Peterson (MN)	Sisisky	Wilson
Peterson (PA)	Skaggs	Wise
Pickering	Skelton	Wolf
Pickett	Smith (MI)	Wynn
Pitts	Smith (OR)	Yates
	Smith (TX)	Young (AK)

NAYS—117

Abercrombie	Hinchey	Pascrell
Ackerman	Holden	Pastor
Andrews	Hooley	Paul
Bachus	Jackson (IL)	Payne
Baesler	Jefferson	Pelosi
Becerra	Kanjorski	Petri
Berman	Kasich	Pombo
Blagojevich	Kelly	Rahall
Bonilla	Kennedy (MA)	Rangel
Bonior	Kennedy (RI)	Reyes
Brady (PA)	Kennelly	Rodriguez
Capps	Kildee	Ros-Lehtinen
Castle	Kilpatrick	Rothman
Conyers	Kucinich	Roybal-Allard
Cummings	LaHood	Rush
Davis (IL)	Lantos	Sanchez
Deal	Lee	Schumer
DeFazio	Lewis (GA)	Sensenbrenner
Delahunt	LoBiondo	Shays
DeLauro	Lofgren	Sherman
Diaz-Balart	Maloney (NY)	Skeen
Dixon	Markey	Slaughter
Doggett	McDermott	Smith (NJ)
Doyle	McGovern	Stabenow
Engel	McKinney	Stark
English	McNulty	Strickland
Ensign	Meehan	Thompson
Eshoo	Meek (FL)	Tierney
Evans	Meeks (NY)	Torres
Farr	Menendez	Towns
Fattah	Miller (CA)	Velazquez
Filner	Mink	Visclosky
Forbes	Morella	Waters
Ford	Nadler	Watt (NC)
Franks (NJ)	Nethercutt	Waxman
Furse	Ortiz	Weller
Gibbons	Owens	Wexler
Gutierrez	Pallone	Weygand
Hastings (FL)	Pappas	Woolsey

NOT VOTING—12

Clayton	Jenkins	Price (NC)
Etheridge	McHale	Talent
Gonzalez	Millender-McDonald	Young (FL)
Granger	Moakley	
Hinojosa		

□ 1317

Ms. KILPATRICK and Messrs. LAHOOD, CONYERS, PAYNE, WATT of North Carolina and FORD changed their vote from ''yea'' to ''nay.''

So the conference report was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

MAKING IN ORDER ON THURSDAY, JULY 30, 1998, CONSIDERATION OF HOUSE JOINT RESOLUTION 120, DISAPPROVING EXTENSION OF WAIVER AUTHORITY WITH RESPECT TO VIETNAM

Mr. SOLOMON. Mr. Speaker, I ask unanimous consent that it be in order at any time on the legislative day of Thursday, July 30, 1998, to consider in the House the joint resolution (H.J. Res. 120) disapproving the extension of the waiver of authority contained in section 402(c) of the Trade Act of 1974 with respect to Vietnam; that the joint resolution be considered as read for amendment; that all points of order against the joint resolution and against its consideration be waived; that the joint resolution be debatable for 1 hour equally divided and controlled by the chairman of the Committee on Ways and Means (in opposition to the joint resolution) and the gentlewoman from California (Ms. LOFGREN) or her designee in support of the joint resolution; that pursuant to sections 152 and 153 of the Trade Act, the previous question be considered as ordered on the joint resolution to final passage without intervening motion; and that the provisions of sections 152 and 153 of the Trade Act of 1974 shall not otherwise apply to any joint resolution disapproving the extension of the waiver authority contained in section 402(c) of the Trade Act of 1974 with respect to Vietnam for the remainder of the second session of the 105th Congress.

Mr. Speaker, it is the intention of this unanimous consent request that the majority manager in opposition to the joint resolution, who will probably be the gentleman from Illinois (Mr. CRANE), will yield half of his time to a majority Member in support of the joint resolution; that will be the gentleman from California (Mr. ROHRABACHER); and that the minority Member in support of the joint resolution, the gentlewoman from California (Ms. LOFGREN) on the Democrat side of the aisle yield half of her time to a minority Member in opposition to the joint resolution, and that will probably be the gentleman from California (Mr. MATSUI).

The SPEAKER pro tempore (Mr. QUINN). Is there objection to the request of the gentleman from New York?

There was no objection.

GENERAL LEAVE

Mr. LEWIS of California. Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days in which to revise and extend their remarks on the further consideration of the bill, H.R. 4194, and that I be permitted to include tables, charts and other extraneous material.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

DEPARTMENTS OF VETERANS AFFAIRS AND HOUSING AND URBAN DEVELOPMENT, AND INDEPENDENT AGENCIES APPROPRIATIONS ACT, 1999

The SPEAKER pro tempore. Pursuant to House Resolution 501 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the further consideration of the bill, H.R. 4194.

□ 1320

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 4194) making appropriations for the Departments of Veterans Affairs and Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 1999, with Mr. COMBEST in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee of the Whole rose on Thursday July 23, 1998, the request for a recorded vote on the amendment offered by the gentleman from Indiana (Mr. ROEMER) had been postponed and the bill was open from page 72, line 3, through page 72, line 16.

Are there further amendments to this portion of the bill?

If not, the Clerk will read.

The Clerk read as follows:

SCIENCE, AERONAUTICS AND TECHNOLOGY

For necessary expenses, not otherwise provided for, in the conduct and support of science, aeronautics and technology research and development activities, including research, development, operations, and services; maintenance; construction of facilities including repair, rehabilitation, and modification of real and personal property, and acquisition or condemnation of real property, as authorized by law; space flight, spacecraft control and communications activities including operations, production, and services; and purchase, lease, charter, maintenance and operation of mission and administrative aircraft, $5,541,600,000, to remain available until September 30, 2000.

MISSION SUPPORT

For necessary expenses, not otherwise provided for, in carrying out mission support for human space flight programs and science, aeronautical, and technology programs, including research operations and support; space communications activities including operations, production and services; maintenance; construction of facilities including repair, rehabilitation, and modification of facilities, minor construction of new facilities and additions to existing facilities, facility planning and design, environmental compliance and restoration, and acquisition or condemnation of real property, as authorized by law; program management; personnel and related costs, including uniforms or allowances therefor, as authorized by 5 U.S.C. 5901–5902; travel expenses; purchase, lease, charter, maintenance, and operation of mission and administrative aircraft; not to exceed $35,000 for official reception and representation expenses; and purchase (not to exceed 33 for replacement only) and hire of passenger motor vehicles; $2,458,600,000, to remain available until September 30, 2000.

OFFICE OF INSPECTOR GENERAL

For necessary expenses of the Office of Inspector General in carrying out the Inspector General Act of 1978, as amended, $19,000,000.

ADMINISTRATIVE PROVISIONS

Notwithstanding the limitation on the availability of funds appropriated for ''Human space flight'', ''Science, aeronautics and technology'', or ''Mission support'' by this appropriations Act, when any activity has been initiated by the incurrence of obligations for construction of facilities as authorized by law, such amount available for such activity shall remain available until expended. This provision does not apply to the amounts appropriated in ''Mission support'' pursuant to the authorization for repair, rehabilitation and modification of facilities, minor construction of new facilities and additions to existing facilities, and facility planning and design.

Notwithstanding the limitation on the availability of funds appropriated for ''Human space flight'', ''Science, aeronautics and technology'', or ''Mission support'' by this appropriations Act, the amounts appropriated for construction of facilities shall remain available until September 30, 2001.

Notwithstanding the limitation on the availability of funds appropriated for ''Mission support'' and ''Office of Inspector General'', amounts made available by this Act for personnel and related costs and travel expenses of the National Aeronautics and Space Administration shall remain available until September 30, 1999 and may be used to enter into contracts for training, investigations, costs associated with personnel relocation, and for other services, to be provided during the next fiscal year.

NASA shall develop a revised appropriation structure for submission in the Fiscal Year 2000 budget request consisting of two basic appropriations (the Human Space Flight Appropriation and the Science, Aeronautics and Technology Appropriation) with a separate (third) appropriation for the Office of Inspector General. The appropriations shall each include the planned full costs (direct and indirect costs) of NASA's related activities and allow NASA to shift civil service salaries, benefits and support between and/or among appropriations or accounts, as required, for the safe, timely, and successful accomplishment of NASA missions.

None of the funds made available by this Act may be used for feasibility studies for, or construction or procurement of satellite hardware for, a mission to a region of space identified as an Earth LaGrange point, other than for the Solar and Heliospheric Observatory (SOHO), Advanced Composition Explorer (ACE), or Genesis mission. Such funds shall also not be used for the addition of an Earth-observing payload to any of the missions named in the preceding sentence.

NATIONAL CREDIT UNION ADMINISTRATION

CENTRAL LIQUIDITY FACILITY

During fiscal year 1999, gross obligations of the Central Liquidity Facility for the principal amount of new direct loans to member credit unions, as authorized by the National Credit Union Central Liquidity Facility Act

(12 U.S.C. 1795), shall not exceed $600,000,000: *Provided,* That administrative expenses of the Central Liquidity Facility in fiscal year 1999 shall not exceed $176,000: *Provided further,* That $2,000,000, together with amounts of principal and interest on loans repaid, to be available until expended, is available for loans to community development credit unions.

NATIONAL SCIENCE FOUNDATION

RESEARCH AND RELATED ACTIVITIES

For necessary expenses in carrying out the National Science Foundation Act of 1950, as amended (42 U.S.C. 1861–1875), and the Act to establish a National Medal of Science (42 U.S.C. 1880–1881); services as authorized by 5 U.S.C. 3109; maintenance and operation of aircraft and purchase of flight services for research support; acquisition of aircraft; $2,745,000,000, of which not to exceed $244,960,000, shall remain available until expended for Polar research and operations support, and for reimbursement to other Federal agencies for operational and science support and logistical and other related activities for the United States Antarctic program; the balance to remain available until September 30, 2000: *Provided,* That receipts for scientific support services and materials furnished by the National Research Centers and other National Science Foundation supported research facilities may be credited to this appropriation: *Provided further,* That to the extent that the amount appropriated is less than the total amount authorized to be appropriated for included program activities, all amounts, including floors and ceilings, specified in the authorizing Act for those program activities or their subactivities shall be reduced proportionally: *Provided further,* That none of the funds appropriated or otherwise made available to the National Science Foundation in this or any prior Act may be obligated or expended by the National Science Foundation to enter into or extend a grant, contract, or cooperative agreement for the support of administering the domain name and numbering system of the Internet after September 30, 1998.

AMENDMENT NO. 26 OFFERED BY MR. ROYCE

Mr. ROYCE. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 26 offered by Mr. ROYCE: page 76, line 24 strike ''2,745,000,000'' and insert ''2,545,700,000.''

Page 90, line 18 strike '', and $70,000,000 is appropriated to the National Science Foundation, 'Research and related activities'.'' and insert ''.''

Mr. ROYCE. Mr. Chairman, I rise in strong support of this amendment. It will merely freeze grant research funding at the same amount that was appropriated last year. There is no cut in the amendment. Our concern is with some of the grants; do we really think it is a good idea to take $176,000 from working families so that we can figure out the different meaning of smiles, and that was one of the grants.

Mr. Chairman, we have a responsibility to the American people to see that their tax money is being spent wisely. Asking them to dip just a little further into their pockets to pay $178,000 for a study on maintaining self-esteem does not fulfill that responsibility.

During debate on this bill last year, an amendment was adopted that struck $174,000 from the National Science Foundation because of previous inappropriate grant making. As I understand it, this was meant as a demonstration to NSF that they should take greater care of taxpayer money. Given some of the recent grants that it has doled out since that time, it seems that they have not taken heed of that action.

Another recent grant for $220,000 was handed over to a researcher for a study entitled ''Status Dominance and Motivational Effects on Nonverbal Sensitivity and Smiling.'' I will submit my finding for free. Spending that much hard-earned money on sensitivity and smiling will wipe the smiles off the taxpayers' faces and make them pretty darn insensitive.

Another researcher was given over $476,000 for his study. For this amount he would perform a manufacturing analysis of coffee makers related to the grammar rules and the grammar itself which will be implemented.

Now, as we go down these grants, one enterprising researcher has received over $29 million since 1992 in nine different grants. From all indications, the bureaucrats have been busy shoveling out the door in the name of science to make sure we do not slide back into the dark ages. For example, research into the sex selection and evolution of horns in the dung beetle, $331,000 for the study of nitrogen excretion in fish, $113,000 for research into the agenda effects on group decisions.

I could go on, but our current agenda calls for a group decision. Two hundred twenty-eight years ago, when the Founding Fathers gathered in Philadelphia, they did not declare our independence so that the new government could tax American citizens and hand out $25,000 to study microwave methods for lower fat patties in meatballs.

I urge my colleagues to support this amendment, Mr. Chairman.

Mr. BOEHLERT. Mr. Chairman, I rise in strong opposition to this amendment.

Mr. Chairman, the poet Alexander Pope remarked centuries ago that a little learning is a dangerous thing. This amendment is a good example of that principle.

First of all, the Dear Colleague letters about this amendment have cited several NSF project titles that have been grossly misinterpreted. For example, grants researching asynchronous transfer mode, which is a computer technology known as ATM, were misconstrued as research on automated teller machines. Grants concerning billiards were thought to be about the game of pool when actually they concern abstruse matters in high-energy physics. The only trouble we have right here in River City is with this amendment.

Mr. Chairman, this amendment is a product of faulty research.

Now I would never claim that the National Science Foundation has never given out a misguided grant or that their grants should not be opened to congressional scrutiny, but as the ranking Republican on the House Committee on Science I am quite familiar with NSF operations, and I have helped oversee them for 15 years. And I can attest that the National Science Foundation is a model agency that provides grants through a peer review process that is the envy of other institutions and other nations. As a result, the research it funds is of high quality and has provided enormous insights that have improved our understanding and our lives.

A little learning is a dangerous thing for a Nation as well as an individual, and NSF's work ensures that our Nation is never hobbled by inadequate learning.

Mr. Chairman, let us not make the mistake of judging a grant by its title. We should resoundingly vote down this amendment and demonstrate our continued support for the outstanding work performed by the National Science Foundation.

☐ 1330

Mr. SANFORD. Mr. Chairman, I rise in support of this amendment because it is a very simple amendment. This amendment simply freezes the research and related categories funding area of NSF at about $2.5 billion. It freezes at this year's level of spending.

The reason that this amendment is offered by Mr. ROYCE and myself and the reason supported by the National Taxpayers Union, the reason supporting it by Citizens against Government Waste is because it makes common sense.

It, in the whole, boils down to one very simple thought, and that is the issue of priorities. When I stand in front of a grocery store back home in my district and talk to folks, they talk about how they have to set priorities within their homes.

When they are given the choice between, let us say, the study of people's reaction to dirty jokes, specifically to sex and fart jokes, and cancer or diabetes research, they say that a study of sex and fart jokes is interesting, but not vital, and that they would rather see those same dollars go into cancer research or diabetes research.

On that same vain, again, this is simply an amendment about priorities. Again, it leaves in place $2.5 billion for funding for the National Science Foundation research. It simply says let us put our house in order.

I mean, the same folks that I talked to back home, they say, if they had to set no priorities, when they walked into Wal-Mart, they would essentially walk out of Wal-Mart with everything that is in the store. But they cannot do that. They have to set a budget. They have to set numbers. They come up with what they can spend overall.

So this amendment is simply a way of signaling to the National Science Foundation please look at those things. Because the gentleman from

California (Mr. LEWIS) himself last year offered an amendment that said there was a grant that, as I understand it, would have studied, for about $174,000, why some people choose to run for office or choose not to run for office. Again, interesting but not vital.

I think that we ought to look more at what is vital when we fund these grants. I have other examples that have come up in this year's list. An example is $334,000 to develop methods for routing pickup and delivery vehicles in realtime. Again, that has something that is interesting, but not vital. The part that is vital is vital to the likes of UPS or FedEx. If that is at the case, why can UPS or FedEx not pay for them?

It has $14,000 to study the long-term profitability of automobile leasing. Interesting, but not vital. The part that is vital is vital to Budget or Hertz. Why can they not pay for it?

It has $12,000 to cheap talk. It has $137,000 to study how legislative leaders help shape their parties issues outside the legislature particularly in the media. Interesting, but not vital.

I could come up with others, but I think the main point is quite simple. That is that the National Science Foundation in funding research needs to look at two things: One, a clear criteria that answers the question for the taxpayer, is this interesting or is it vital? And that it answers the question of, is it worth the cost? Because you can simply turn on the Internet and see that there is all kinds of information out there. The question before us, though, is not, is there information, but is it vital information?

Mr. EHLERS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I would like to respond to the amendment and the comments just made. I would remind my colleague, the gentleman from South Carolina, that when his people come out of the store, my colleague might ask them what they think of the laser scanner that was used to get them out of the store more quickly and more efficiently, because development of the laser was financed in part by the National Science Foundation.

My colleague might ask, too, whether they enjoy the rapid delivery of their FedEx packages. Indeed, part of that research has been done by the National Science Foundation. My colleague suggested that FedEx should pay for it themselves, but, in fact, Federal Express developed into what it is today, because of the techniques resulting from such research, and the taxes that FedEx pays today far more than cover the cost of any research that was done which may have helped to develop the system.

My point is that the United States has a vibrant and booming economy today, especially compared to that of other nations, because we also have a booming and vital research enterprise in this Nation. There is a direct correlation between economic growth and the amount of money spent on research, and all of us should recognize that.

Let me also comment on a few other specifics because, as the gentleman from New York (Mr. BOEHLERT) said earlier, much of this debate arises out of a misunderstanding of the scientific terms used.

Some terms used in science which are similar to everyday language have totally different meanings when used scientifically. As an example, consider ''billiards'', which was referred to in one of the ''Dear Colleagues'' sent out by the sponsors of the amendment. Billiards we all understand is a game. But, in science, the word is used to describe a theory which originally was developed to explain the collisions and interaction between rigid objects, but today is used to describe collisions and trajectories of small objects, such as atoms, molecules and nuclei, within confined areas.

This is crucial to the study of air flow and turbulence around aircraft. In fact, a recent development was the discovery that ripples in the surface of an aircraft wing reduce turbulence substantially, resulting in fuel savings and cost savings.

It is interesting that you can now buy swimsuits that incorporate the same effect and will now allow for faster swimming in competition. That was not the intent of the research, but this is a by-product that is beneficial.

ATMs were criticized in one of the ''Dear Colleagues.'' As used in science, that does not refer to ''automated teller machines,'' where you withdraw money, but rather refers to ''asynchronous transfer modes,'' which is today the most modern and most rapid method of transmitting information over the Internet or between computers in general. This is very beneficial to society, and allows sending more information for less money.

That brings us into the next item of criticism: that NSF spent $12,887 to study cheap talk. That is not referring to what you might in common parlance think of as ''cheap talk,'' but rather refers to the cost of information transmitted over the Internet or used in commerce.

All of these are very beneficial grants. They have helped us. They have helped our economy and made us one of the strongest nations on this earth. It is hard to find a Federal agency that gives us as much for our money as the National Science Foundation, and it certainly does help our economy to a great extent. Therefore, Mr. Chairman, I strongly urge the defeat of this amendment.

Mr. BROWN of California. Mr. Chairman, I move to strike the requisite number of words.

(Mr. BROWN of California asked and was given permission to revise and extend his remarks.)

Mr. BROWN of California. Mr. Chairman, I know that it is not necessary to extend this discussion and that the comments made by our distinguished colleagues, the gentleman from Michigan (Mr. EHLERS) as well as the gentleman from New York (Mr. BOEHLERT), probably adequately deal with this subject. But having risen to debate it many times over the last 20 years, I would feel remiss if I did not stand up and say a few words.

Let me identify myself with the remarks already made by my two distinguished colleagues. Let me point out that this simple innocuous amendment is approximately a 10 percent cut in the amount of money that would otherwise go to this fine agency and is much more important than might be thought.

Let me say that I appreciate the close scrutiny being given to the research done at the National Science Foundation. That close scrutiny is healthy. I would not want to have it discouraged. For one thing, it gives those of us in close touch with N.S.F. research an opportunity to praise the work being done. It encourages others to take a closer look at the work of the National Science Foundation and to see if they cannot come to appreciate the value of that work.

I remember when we first started debating this subject of research grant titles one popular target was a grant titled ''The sex life of the Screw worm'' a subject of great importance in Texas. Everybody thought they knew what sex life was about, and they could not understand why we needed to spend money researching it.

But, actually, as we pointed out many times, this innocuous piece of research has saved the cattle industry of Texas hundreds of times over what the cost of the actual research project was, because it involves the mode of reproduction of one of the pests that is of greatest importance to the Texas cattle industry, as I am sure the chairman of the committee well knows.

But this is merely one more example, to go along with the others that have already been mentioned, showing why one needs to look beyond the titles themselves to the content of the research in order to have some understanding of what its importance is.

Mr. Chairman, I urge all of the Members to follow the example of the author of this amendment and scrutinize these research projects very carefully. I think they will be highly enlightened if they do so, and will strongly oppose amendments such as the one before us.

Mr. FOLEY. Mr. Chairman, I move to strike the requisite number of words.

(Mr. FOLEY asked and was given permission to revise and extend his remarks.)

Mr. FOLEY. Mr. Chairman, let me just for a moment correct the record about the impression being left about the amendment of the gentleman from South Carolina (Mr. SANFORD). It was just described as a 10 percent cut.

It always amazes me in this city of Washington, freezing expenditures at

the current year's level is described as a cut. It was just mentioned we would see a 10 percent reduction in the amount of money spent on research. Correct the report. If the amendment of the gentleman from South Carolina (Mr. SANFORD) is adopted, the committee and the National Science Foundation will be able to spend exactly what they spend this year.

Most families in America have not been able to allocate a 10 percent additional expenditure for next year's vacation or for the next year's food supply or for school uniforms, simply because they cannot project those types of dollars forward because they have to live in reality, they have to live with today's dollars.

I agree with the gentleman from Michigan (Mr. EHLERS) that there are a number of important research projects that are done by the National Science Foundation, and I agree with him. I think we have developed some wonderful technology in this government through their efforts, and I generally support most of them.

What I am concerned about is its refusal to heed Congress' call to use better judgment in awarding grants even though we are proposing to increase its budget this year by $200 million.

One of my constituents, Bill Donnelly, recently contacted my office to complain that the National Science Foundation awarded a $107,000 grant to study dirty jokes. Although skeptical, I contacted the National Science Foundation for an explanation. To my dismay, not only did the National Science Foundation spend more than $100,000 to fund such a study but it attempted to justify the grant by saying that there is no accurate study as to why people laugh at certain offensive jokes.

Mr. BROWN of California. Mr. Chairman, will the gentleman yield?

Mr. FOLEY. I yield to the gentleman from California.

Mr. BROWN of California. Mr. Chairman, let me make clear tht I did not say that the gentleman's amendment was a 10 percent cut in the NSF Budget. I said that his amendment was a 10% cut in the amount of money that would otherwise go to this fine agency. His amendment is $270 million below what the committee recommends, or $305 million below what the administration requested. It is actually a reduction in the amount of growth that has been projected, as we both understand.

Mr. FOLEY. I thank the gentleman for the clarification.

Mr. Chairman, obviously, the National Science Foundation does not get it. The U.S. taxpayer should not be funding research that has dubious scientific merit, at best. This is why we should support the Sanford amendment. We need to send a strong message not only to the National Science Foundation, folks, this is not just about one agency. This is about every agency that determines how to use its Federal dollars.

Now, I got a very nice letter back from the Office of the Assistant Director for Social, Behavioral and Economic Sciences trying to justify that this was a very important study. I still would ask my colleagues to ask every American taxpayer at home, do they think we should spend $107,000 to find out why people laugh at dirty jokes? I would say no.

Mr. LEWIS of California. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, both the gentleman from Ohio (Mr. STOKES) and I have prepared a very extensive response to this amendment but, frankly, because of the pressures of time and otherwise, let me suggest simply that the National Science Foundation is among the committee's and the Congress' very high priorities. We believe that the American government has played a very significant role in productive research efforts.

It is rather standard for critics of NSF often to pick a handful of examples of that which they would call excess, and usually those examples, while they have a title that can be used conveniently, do not reflect at all the specific project in terms of its detail.

These items funded by NSF come under very serious review. NSF relies on the judgment of over 60,000 independent reviewers, each of whom has expertise in his or her field. Depending on whether by mail or by panel reviews being used, each proposal is reviewed by an average of 4 to 11 experts and ranked on its scientific merit. As of this moment, approximately 1 in 3 proposals are eventually funded even though well over half are considered to have enough merit to deserve funding.

It is important for the Members to know that we support strongly this bill in its present form. It is very important that the Members oppose this amendment.

□ 1345

Mr. NEUMANN. Mr. Chairman, I move to strike the requisite number of words.

I rise in support of this amendment. I came here 4 years ago. We were $5½ trillion in debt, $20,000 for every man, woman and child in the United States of America. When we got here, the deficit was over $200 billion a year.

We have come a long ways in this 3 years. We have gotten to a point where we are actually running surpluses for the first time since 1969. We saw a tax cut package passed last year for the first time in 16 years.

Then we get into the discussion about have we really done our job or do we have a long ways yet to go, and we start looking at lists of projects like some of these that are mentioned here and talking about 10 percent increases, and one almost gets this feeling, this tugging out here that, since now we are in surplus, we can start spending more of the taxpayers' money, and we had 10 percent increases in some areas.

The gentleman from South Carolina (Mr. SANFORD), my good friend, has proposed an amendment that does not decrease funding for this very important area but rather freezes it at last year's level. It simply brings it back into line.

Let us talk about some of the things that we have been funding and why it is that we would not want to see this kind of dramatic increase, much more of an increase than most of the households in my district are getting: Studying things like video on demand for popular videos; I am not sure that the people of Wisconsin would want to spend money on that study. Or why women smile more than men; I am not sure they would want to see money spent on that.

I am a former math teacher, and I taught everywhere from 7th grade on up through college courses. I find the study on the geometric applications to billiards to be of particular interest to me personally, because I was very interested in those sorts of things. And back in my math courses we did things like look at money growth and how it related to Social Security and how the interest rates impacted that. We did a lot of practical applications in our math courses, and this seems to be an area that a math professor from some place in the United States of America, or maybe a fine high school math teacher, or even a junior high math teacher might want to go out and start doing some of the studies that are involved with this.

But do I think I want to go into the households in Wisconsin's first district in Janesville, Wisconsin, or Kenosha or Racine and say to those families that we are going to take your tax dollars and use those tax dollars for purposes of doing a study on billiards? I do not so. I do not think that they would think that is a good use of tax dollars out here.

I think when we go through some of the rest of these we can see additional areas: Study cheap talk, $12,000 to study cheap talk. Long-term profitability of automobile leasing. This brings us to another area, long-term profitability of automobile leasing.

We are talking about corporations here, fine corporations that provide many jobs in the United States of America. The question that needs to be asked is, do we need the taxpayers' money to fund studies that are going to benefit these corporations?

I guess I keep coming back to the all-important question, and that question is, if I go to a family of five in my district that gets up every morning and goes to work and works hard and I ask them, do you want me to spend money on behalf of these automobile leasing organizations to find better ways and more efficient ways to lease cars, or do you think that that is a study that they should themselves initiate? Is it all right to take money out of your paycheck to pay for these sorts of things?

I keep coming back to the answer is no. The answer is just plain, flat-out no. We should not be spending money on some of these sorts of programs. And as important as research is in this country, we need to direct our research dollars to those areas that are going to benefit the Nation as a whole.

For that reason, I strongly support the Sanford amendment; and I would hope that my colleagues see the wisdom of going along with this sort of an amendment to this bill.

I would just like to commend the chairman on his hard work and the staff on their hard work on this bill because I think they have done a very, very fine job. There are some areas that perhaps some of our colleagues would disagree with, and this just happens to be one of them.

So I rise in strong support of the Sanford amendment.

Ms. STABENOW. Mr. Chairman, I move to strike the requisite number of words.

(Ms. STABENOW asked and was given permission to revise and extend her remarks.)

Ms. STABENOW. Mr. Chairman, I would like to thank the chairman and the ranking member of the subcommittee for their strong commitment to science, research and development in this country.

I rise today as someone representing middle Michigan where those middle-class families that have been discussed today are rising every day to go to work in jobs that have more and more technology involved in their employment. They rise to go to work in areas where they are dependent upon new research and developing technologies so that the jobs that they are working in are the best-paying jobs possible.

They care about the air and the water, and they want to make sure that we are doing everything we can to research ways to be able to clean up the air and the water and protect the environment through research areas that do not involve job loss but new technologies. They care very much about health research and the future for their children. They want us to be at the front end of the technology revolution that is happening all across the world.

In my opinion, there are two efforts critically important that we are engaged in nationally on behalf of Americans, and that is education and a focus on research and technology development for future jobs and future quality-of-life opportunities for our citizens.

The National Science Foundation is a small investment in a major effort to increase the quality of life for our citizens, and I would strongly urge a ''no'' vote on this amendment.

Ms. EDDIE BERNICE JOHNSON of Texas. Mr. Chairman, Representative SANFORD has offered an amendment to freeze NSF's appropriations for research awards, giving as the reason NSF's support for questionable grant awards. He has referred to several grants which he claims supports his action.

Examination of the grants listed by Mr. SANFORD indicate his assessment of the contents is based on title alone:

ATM Research—This is not research on automated teller machines. Actually, it is research on Asynchronous Transfer Mode, a promising new network transmission protocol to enable the creation of very high speed computer networks.

Social Poker—This refers not to a poker game but to the development of a theory of how individuals determine which of their resources they are willing to put at risk in order to gain the benefits of joining a group. This is basic research that may help explain what it would take to get a country to sign on to a treaty, or when it is a rational decision for companies to merge.

Routing Trucks—This is an extension of what is known to mathematicians as the ''traveling salesman problem.'' This problem asks how to find the shortest possible route to a given number of cities without visiting one twice. The study in question develops and tests powerful new mathematical optimization algorithms.

This subject has considerable practical value. Transportation costs account for 15% of the U.s. Gross Domestic Product, and a major element of transportation involves the routing and scheduling of fleets of trucks.

Cheap Talk—Cheap talk refers to the cost of information in an economic model. Generally speaking, we must pay for information—in terms of procuring expert advice, the cost of publications or the time to gather data. The research explores the implications for economic and decision models when information is relatively inexpensive, such as that made available on the Internet.

Video on Demand—The underlying research issues are related to using network protocols to transmit real time video, which has enormous data transmission requirements. These fundamental questions require high-risk research that HBO or Blockbuster are not likely to support. But if the basic research is successful, service providers and consumers (including those who may use real-time video for distance learning or telemedicine) stand to reap huge returns from the investment.

Billiards—This research applies, not to pool playing, but to a complex mathematical theory of interest in geometry and physics. The scientific use of the term ''billiards'' originated over 100 years ago as a way of conceptualizing how atomic particles carom off each other. Mathematicians later on began to develop complex math theory, known as Ergodtic Theory, that attempts to predict the trajectory of idealized particles in confined spaces. This research is important for understanding many different types of non-linear or chaotic systems, such as airflow around an airplane, leading to an improved understanding of turbulence in fluids.

Study of Jokes—This research at its core is not about humor. Rather, it is involved with the reasons for the perpetuation of inaccurate stereotypes and the promulgation of racism, sexism, and prejudice against people with disabilities and other distinguishing characteristics. Humor is used in the study as a research tool to investigate the cognitive processes that accompany and determine the interpretation of information conveyed in a social context.

The proponent of the amendment has picked a handful of grants from the 10,000 or so that are funded each year by NSF and, on the basis of a title which is obscure or seems frivolous, proposes that the House freeze the research activities of the Foundation at last year's level.

This proposed amendment represents an effective cut of $270 million to the nation's basic research enterprise, which is largely carried out at colleges and universities throughout the country. It will result in 760 fewer research awards. It will mean NSF supports 5,000 fewer scientists and students.

The proposals funded by NSF have been subjected to a rigorous evaluation. They are chosen on the basis of merit through a competitive process: In a given year, NSF relies on the judgment of over 60,000 reviewers, each an expert in the field of a particular proposal. Each proposal is reviewed by between 4 and 11 experts, depending on whether a mail or panel review is used. The proposals are ranked on the basis of scientific merit, as well as on the broader impacts of the proposed activity. Only one in three proposals is funded, although more than half are rated as sufficiently meritorious to deserve to be funded.

The proposal selection process is rigorous, but not perfect. Efforts are made continually to improve the range of representation of reviewers and to sharpen the review criteria. But the system is widely respected by the scientific community, and constitutes the most effective method yet discovered to identify meritorious research proposals and to prioritize among worthy proposals.

The merit selection and prioritization process used by NSF has produced an academic research enterprise that is the envy of the world. The proposed amendment to freeze funding for NSF's research activities will result in harm to the nation's technological strength.

Investment in R&D is the single most important determinant of long-term economic growth. According to economists, about one half to two thirds of economic growth can be attributed to technological advances. Although difficult to measure, there is consensus that the economic payoff from basic research investments is substantial. The importance of basic research can be appreciated by considering the technological advancements that have grown out of past NSF-sponsored work:

Internet—Over the past decade, NSF has transformed the Internet from a tool used by a handful of researchers at DOD to the backbone of this Nation's university research infrastructure. Today the Internet is on the verge of becoming the Nation's commercial marketplace.

Nanotechnology and ''Thin Film''—50 years ago scientists developed the transistor and ushered in the information revolution. Today 3 million transistors can fit on a chip no larger than the fingernail-sized individual transistor. NSF's investment in nanotechnology & ''thin films'' are expected to generate a further 1,000 fold reduction in size for semiconductor devices with eventual cost-savings of a similar magnitude.

Genetics—What is often overlooked is the critical role played by NSF in supporting the basic research that leads to the breakthroughs of mapping the human genome for which NIH justly receives credit. Research supported by NSF was key to the development of the polymerase chain reaction and a great deal of the technology used for sequencing.

Magnetic Resonance Imaging—The development of this technology was made possible by combining information gained through the study of the spin characteristics of basic matter, research in mathematics, and high flux magnets. The Next Generation Nuclear Magnetic Resonance Imager, currently under construction, will allow for the identification of the 3-dimensional structures of the 100,000 proteins whose genes are being sequenced by the Human Genome Project.

Buckeyballs—The discovery of buckeyballs, a new form of carbon won for the researchers a Nobel prize. Its discovery was the result of work by astronomers. This in turn led to the discovery of the carbon nanotube, which has been found to be 100 times stronger than steel and a fraction of the weight. Nanotubes may produce cars weighing no more than 100 pounds.

Plant Genome—Research into the genome of a flower plant with no previous commercial value (Arabidopsis thaliana) led to the discovery of ways to increase crop yields, production of plants with seeds having lower polyunsaturated fats and to the development of crops that produce a biodegradable plastic.

Artificial Retina—Researchers at NC State have designed a computer chip that may pave the way for creation of an artificial retina. Problems with bio-compatibility have been solved by researchers at Stanford who developed a synthetic cell membrane that adheres to both living cells and silicon chips.

CD Players—CD players rely on data compression algorithms that were developed using a NSF grant. These algorithms were first used in the transmission of satellite data and now provide the foundation for new developments in data storage.

Jet Printers—The mathematical equations that describe the behavior of fluid under pressure provided the foundation for developing the ink jet printer.

Camcorders—Virtually all camcorders and electronic devices using electronic imaging sensors are based on charge-coupled devices. These devices, sensitive to a single photon of light, were developed and transformed by astronomers interested in maximizing their capacity for light gathering.

Ms. JACKSON-LEE of Texas. Mr. Chairman. I rise to speak against the Sanford amendment to reduce the National Science Foundation by $269 million.

The National Science Foundation (NSF) provides this Nation with the tools to remain a superpower in a world where technology remains supreme. It helps develop new technologies, not only on its own, but also through its partnerships with other government agencies, like NASA, and with private institutions.

The NSF is largely responsible for many of the scientific breakthroughs that we currently enjoy in this country. In fact, many of our more important scientific achievements started either with an experiment in a NSF lab, or with a NSF grant to a university or private corporation.

We cannot expect our chldren to be prepared for the next millennium if they do not have the right equipment to learn on. Ladies and gentlemen, trying to teach children computer science without the benefit of a computer is like trying to teach English to children without books—utterly impossible.

We must do our part to ensure that our children have the opportunity to learn, especially in the areas of math in science. This year in the House Science Committee, we have heard a myriad of testimony during hearings regarding the under-education of our youth in the hard sciences. It has gotten to the point that the media fails to report scientific breakthroughs, not because of lack of public interest, but often because they do not feel that the general public will understand the scientific achievement and what it means to them. That is shameful. If this Nation intends to remain a world leader, we must do our part to educate our children in the ways of the future.

Here in Congress, we have worked long and hard to rectify this problem. We have sought to increase funding for education. We have tried to provide targeted discounts to schools and libraries so that they can get on the Internet. Those initiatives are controversial, but this provision is not. Its costs are low, and its benefits high.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California (Mr. ROYCE).

The amendment was rejected.

The CHAIRMAN. Are there further amendments to this portion of the bill?

The Clerk will read.

The Clerk read as follows:

MAJOR RESEARCH EQUIPMENT

For necessary expenses of major construction projects pursuant to the National Science Foundation Act of 1950, as amended, $90,000,000, to remain available until expended.

Mr. BROWN of California. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I do so for the purposes of having a brief colloquy with the chairman of the subcommittee with regard to an item of funding in the National Science Foundation. I understand that the chairman is aware of the important work done by the RAND Corporation's Radius program, which was established at the direction of the White House Office of Science and Technology Policy. This program provides a unique asset for tracking all Federal spending on R&D and should prove a very useful tool to those of us in Congress who are looking for ways to do more with the limited dollars we have.

In past years, the Federal share of funding for Radius has come from the National Science Foundation. It is my understanding that the Chair would support NSF's providing $1.5 million in funding for Radius services during fiscal year 1999. Is that correct?

Mr. LEWIS of California. Mr. Chairman, will the gentleman yield?

Mr. BROWN of California. I yield to the gentleman from California.

Mr. LEWIS of California. Yes, Mr. Chairman, my colleague is correct. I am familiar with the Radius program, and I am very impressed by this unique tool. I believe it is in the best interest of the Federal Government to continue to support the further development of Radius and would look favorably upon NSF providing $1.5 million in fiscal year 1999 towards that end. I will work in the conference to include the language that makes this clear.

Mr. BROWN of California. Mr. Chairman, as usual, I want to thank my friend for his kind words and his support for this program.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

EDUCATION AND HUMAN RESOURCES

For necessary expenses in carrying out science and engineering education and human resources programs and activities pursuant to the National Science Foundation Act of 1950, as amended (42 U.S.C. 1861–1875), including services as authorized by 5 U.S.C. 3109 and rental of conference rooms in the District of Columbia, $642,500,000, to remain available until September 30, 2000: *Provided*, That to the extent that the amount of this appropriation is less than the total amount authorized to be appropriated for included program activities, all amounts, including floors and ceilings, specified in the authorizing Act for those program activities or their subactivities shall be reduced proportionally.

SALARIES AND EXPENSES

For salaries and expenses necessary in carrying out the National Science Foundation Act of 1950, as amended (42 U.S.C. 1861–1875); services authorized by 5 U.S.C. 3109; hire of passenger motor vehicles; not to exceed $9,000 for official reception and representation expenses; uniforms or allowances therefor, as authorized by 5 U.S.C. 5901–5902; rental of conference rooms in the District of Columbia; reimbursement of the General Services Administration for security guard services; $144,000,000: *Provided*, That contracts may be entered into under ''Salaries and expenses'' in fiscal year 1999 for maintenance and operation of facilities, and for other services, to be provided during the next fiscal year.

OFFICE OF INSPECTOR GENERAL

For necessary expenses of the Office of Inspector General as authorized by the Inspector General Act of 1978, as amended, $5,200,000, to remain available until September 30, 2000.

NEIGHBORHOOD REINVESTMENT CORPORATION

PAYMENT TO THE NEIGHBORHOOD REINVESTMENT CORPORATION

For payment to the Neighborhood Reinvestment Corporation for use in neighborhood reinvestment activities, as authorized by the Neighborhood Reinvestment Corporation Act (42 U.S.C. 8101–8107), $90,000,000, of which $25,000,000 shall be for a pilot homeownership initiative, including an evaluation by an independent third party to determine its effectiveness.

SELECTIVE SERVICE SYSTEM

SALARIES AND EXPENSES

For necessary expenses of the Selective Service System, including expenses of attendance at meetings and of training for uniformed personnel assigned to the Selective Service System, as authorized by 5 U.S.C. 4101–4118 for civilian employees; and not to exceed $1,000 for official reception and representation expenses; $24,176,000: *Provided*, That during the current fiscal year, the President may exempt this appropriation from the provisions of 31 U.S.C. 1341, whenever he deems such action to be necessary in the interest of national defense: *Provided further*, That none of the funds appropriated by this Act may be expended for or in connection with the induction of any person into the Armed Forces of the United States.

TITLE IV—GENERAL PROVISIONS

SEC. 401. Where appropriations in titles I, II, and III of this Act are expendable for travel expenses and no specific limitation has been placed thereon, the expenditures for such travel expenses may not exceed the amounts set forth therefore in the budget estimates submitted for the appropriations:

Provided, That this provision does not apply to accounts that do not contain an object classification for travel: *Provided further*, That this section shall not apply to travel performed by uncompensated officials of local boards and appeal boards of the Selective Service System; to travel performed directly in connection with care and treatment of medical beneficiaries of the Department of Veterans Affairs; to travel performed in connection with major disasters or emergencies declared or determined by the President under the provisions of the Robert T. Stafford Disaster Relief and Emergency Assistance Act; to travel performed by the Offices of Inspector General in connection with audits and investigations; or to payments to interagency motor pools where separately set forth in the budget schedules: *Provided further*, That if appropriations in titles I, II, and III exceed the amounts set forth in budget estimates initially submitted for such appropriations, the expenditures for travel may correspondingly exceed the amounts therefore set forth in the estimates in the same proportion.

SEC. 402. Appropriations and funds available for the administrative expenses of the Department of Housing and Urban Development and the Selective Service System shall be available in the current fiscal year for purchase of uniforms, or allowances therefor, as authorized by 5 U.S.C. 5901–5902; hire of passenger motor vehicles; and services as authorized by 5 U.S.C. 3109.

SEC. 403. Funds of the Department of Housing and Urban Development subject to the Government Corporation Control Act or section 402 of the Housing Act of 1950 shall be available, without regard to the limitations on administrative expenses, for legal services on a contract or fee basis, and for utilizing and making payment for services and facilities of Federal National Mortgage Association, Government National Mortgage Association, Federal Home Loan Mortgage Corporation, Federal Financing Bank, Federal Reserve banks or any member thereof, Federal Home Loan banks, and any insured bank within the meaning of the Federal Deposit Insurance Corporation Act, as amended (12 U.S.C. 1811–1831).

SEC. 404. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein.

SEC. 405. No funds appropriated by this Act may be expended—

(1) pursuant to a certification of an officer or employee of the United States unless—

(A) such certification is accompanied by, or is part of, a voucher or abstract which describes the payee or payees and the items or services for which such expenditure is being made, or

(B) the expenditure of funds pursuant to such certification, and without such a voucher or abstract, is specifically authorized by law; and

(2) unless such expenditure is subject to audit by the General Accounting Office or is specifically exempt by law from such audit.

SEC. 406. None of the funds provided in this Act to any department or agency may be expended for the transportation of any officer or employee of such department or agency between their domicile and their place of employment, with the exception of any officer or employee authorized such transportation under 31 U.S.C. 1344 or 5 U.S.C. 7905.

SEC. 407. None of the funds provided in this Act may be used for payment, through grants or contracts, to recipients that do not share in the cost of conducting research resulting from proposals not specifically solicited by the Government: *Provided*, That the extent of cost sharing by the recipient shall reflect the mutuality of interest of the grantee or contractor and the Government in the research.

SEC. 408. None of the funds in this Act may be used, directly or through grants, to pay or to provide reimbursement for payment of the salary of a consultant (whether retained by the Federal Government or a grantee) at more than the daily equivalent of the rate paid for level IV of the Executive Schedule, unless specifically authorized by law.

SEC. 409. None of the funds provided in this Act shall be used to pay the expenses of, or otherwise compensate, non-Federal parties intervening in regulatory or adjudicatory proceedings. Nothing herein affects the authority of the Consumer Product Safety Commission pursuant to section 7 of the Consumer Product Safety Act (15 U.S.C. 2056 et seq.).

SEC. 410. Except as otherwise provided under existing law, or under an existing Executive Order issued pursuant to an existing law, the obligation or expenditure of any appropriation under this Act for contracts for any consulting service shall be limited to contracts which are (1) a matter of public record and available for public inspection, and (2) thereafter included in a publicly available list of all contracts entered into within twenty-four months prior to the date on which the list is made available to the public and of all contracts on which performance has not been completed by such date. The list required by the preceding sentence shall be updated quarterly and shall include a narrative description of the work to be performed under each such contract.

SEC. 411. Except as otherwise provided by law, no part of any appropriation contained in this Act shall be obligated or expended by any executive agency, as referred to in the Office of Federal Procurement Policy Act (41 U.S.C. 401 et seq.), for a contract for services unless such executive agency (1) has awarded and entered into such contract in full compliance with such Act and the regulations promulgated thereunder, and (2) requires any report prepared pursuant to such contract, including plans, evaluations, studies, analyses and manuals, and any report prepared by the agency which is substantially derived from or substantially includes any report prepared pursuant to such contract, to contain information concerning (A) the contract pursuant to which the report was prepared, and (B) the contractor who prepared the report pursuant to such contract.

SEC. 412. Except as otherwise provided in section 406, none of the funds provided in this Act to any department or agency shall be obligated or expended to provide a personal cook, chauffeur, or other personal servants to any officer or employee of such department or agency.

SEC. 413. None of the funds provided in this Act to any department or agency shall be obligated or expended to procure passenger automobiles as defined in 15 U.S.C. 2001 with an EPA estimated miles per gallon average of less than 22 miles per gallon.

SEC. 414. None of the funds appropriated in title I of this Act shall be used to enter into any new lease of real property if the estimated annual rental is more than $300,000 unless the Secretary submits, in writing, a report to the Committees on Appropriations of the Congress and a period of 30 days has expired following the date on which the report is received by the Committees on Appropriations.

SEC. 415. (a) It is the sense of the Congress that, to the greatest extent practicable, all equipment and products purchased with funds made available in this Act should be American-made.

(b) In providing financial assistance to, or entering into any contract with, any entity using funds made available in this Act, the head of each Federal agency, to the greatest extent practicable, shall provide to such entity a notice describing the statement made in subsection (a) by the Congress.

SEC. 416. None of the funds appropriated in this Act may be used to implement any cap on reimbursements to grantees for indirect costs, except as published in Office of Management and Budget Circular A–21.

SEC. 417. Such sums as may be necessary for fiscal year 1999 pay raises for programs funded by this Act shall be absorbed within the levels appropriated in this Act.

SEC. 418. None of the funds made available in this Act may be used for any program, project, or activity, when it is made known to the Federal entity or official to which the funds are made available that the program, project, or activity is not in compliance with any Federal law relating to risk assessment, the protection of private property rights, or unfunded mandates.

SEC. 419. Corporations and agencies of the Department of Housing and Urban Development which are subject to the Government Corporation Control Act, as amended, are hereby authorized to make such expenditures, within the limits of funds and borrowing authority available to each such corporation or agency and in accord with law, and to make such contracts and commitments without regard to fiscal year limitations as provided by section 104 of the Act as may be necessary in carrying out the programs set forth in the budget for 1999 for such corporation or agency except as hereinafter provided: *Provided*, That collections of these corporations and agencies may be used for new loan or mortgage purchase commitments only to the extent expressly provided for in this Act (unless such loans are in support of other forms of assistance provided for in this or prior appropriations Acts), except that this proviso shall not apply to the mortgage insurance or guaranty operations of these corporations, or where loans or mortgage purchases are necessary to protect the financial interest of the United States Government.

SEC. 420. Notwithstanding section 320(g) of the Federal Water Pollution Control Act (33 U.S.C. 1330(g)), funds made available pursuant to authorization under such section for fiscal year 1999 and prior fiscal years may be used for implementing comprehensive conservation and management plans.

SEC. 421. Notwithstanding any other provision of law, the term ''qualified student loan'' with respect to national service education awards shall mean any loan made directly to a student by the Alaska Commission on Postsecondary Education, in addition to other meanings under section 148(b)(7) of the National and Community Service Act.

SEC. 422. Notwithstanding any other law, funds made available by this or any other Act to the Environmental Protection Agency, the National Science Foundation, or the National Aeronautics and Space Administration for the United States/Mexico Foundation for Science may be used for the endowment of such Foundation.

Mr. LEWIS of California (during the reading). Mr. Chairman, I ask unanimous consent that title IV, sections 401 through 422 on page 88, line 15, be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

Mr. COBURN. Yes, Mr. Chairman, I do object.

The CHAIRMAN. Objection is heard.

The Clerk will read.

The Clerk continued to read.

Mr. LEWIS of California (during the reading). Mr. Chairman, I ask unanimous consent that title IV, sections 401 through 422 on page 88, line 15, be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

The CHAIRMAN. Are there amendments to that portion of the bill?

If not, the Clerk will read.

The Clerk read as follows:

SEC. 423. (a) Not later than 90 days after the date of the enactment of this Act, the Consumer Product Safety Commission shall propose for comment and, not later than 270 days after the date of the enactment of this Act, issue a final rule amending its Flammable Fabrics Act standards to revoke the amendments to the standards for the flammability of children's sleepwear sizes 0 through 6X (contained in regulations published at 16 CFR part 1615) and 7 through 14 (contained in regulations published at 16 CFR part 1616) issued by the Commission on September 9, 1996 (61 FR 47634).

(b) None of the following shall apply with respect to the promulgation of the amendment prescribed by subsection (a):

(1) The Consumer Product Safety Act (15 U.S.C. 2051 et seq.).

(2) The Flammable Fabrics Act (15 U.S.C. 1191 et seq.).

(3) Chapter 6 of title 5, United States Code.

(4) The National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.).

(5) The Small Business Regulatory Enforcement Fairness Act of 1996 (Public Law 104–121).

(6) Any other statute or Executive order.

(c) Sleepwear manufactured or imported before the effective date (as established by the Commission) of the Consumer Product Safety Commission's revocation required by subsection (a) shall not be considered in violation of the Flammable Fabrics Act if it complied with the Commission rules in effect at the time it was manufactured or imported.

POINT OF ORDER

Mr. BONILLA. Mr. Chairman, I make the point of order that the provisions of section 423 constitute legislation in an appropriation bill in violation of clause 2 of rule XXI. Clause 2 of rule XXI provides that no amendment to a general appropriations bill shall be in order if changing existing law. The provision contained in section 423 is clearly a change in existing law and is, therefore, in violation of clause 2 of rule XXI.

The CHAIRMAN. Are there Members wishing to be heard on the point of order?

If not, the Chair is prepared to rule.

The Chair finds that section 423 of the bill imparts direction to the Consumer Product Safety Commission and expressly supersedes the applicability of a range of existing laws.

The Chair therefore holds that section 423 constitutes legislation in violation of clause 2(b) of rule XXI.

The point of order is sustained, and section 423 is stricken from the bill.

The Clerk will read.

The Clerk read as follows:

SEC. 424. (a) Subparagraph (A) of section 203(b)(2) of the National Housing Act (12 U.S.C. 1709(b)(2)(A)) is amended by striking clause (ii) and all that follows through the end of the subparagraph and inserting the following:

''(ii) 87 percent of the dollar amount limitation determined under section 305(a)(2) of the Federal Home Loan Mortgage Corporation Act for a residence of the applicable size; except that the dollar amount limitation in effect for any area under this subparagraph may not be less than 48 percent of the dollar limitation determined under section 305(a)(2) of the Federal Home Loan Mortgage Corporation Act for a residence of the applicable size; and'',

and, in addition to the amounts appropriated in other parts of this Act, $10,000,000 is appropriated to the Department of Veterans Affairs, ''Medical and prosthetic research'', and $70,000,000 is appropriated to the National Science Foundation, ''Research and related activities''.

(b) The first sentence in the matter following section 203(b)(2)(B)(iii) of the National Housing Act (12 U.S.C. 1709(b)(2)(B)(iii) is amended to read as follows: ''For purposes of the preceding sentence, the term 'area' means a metropolitan statistical area as established by the Office of Management and Budget; and the median 1-family house price for an area shall be equal to the median 1-family house price of the county within the area that has the highest such median price.''.

SEC. 425. (a) The Consumer Product Safety Commission shall contract with the National Institute on Environmental Health Sciences (NIEHS) to conduct a thorough study of the toxicity of all the flame retardant chemicals identified by the Commission as likely candidates for addition to residential upholstered furniture for the purpose of meeting regulations proposed by the Commission for flame-resistance of residential upholstered furniture. Where NIEHS has existing adequate information regarding the chemicals identified by the Commission, such information can be transmitted to the Commission in lieu of an additional study on those chemicals.

(b) The Commission shall establish a Chronic Hazard Advisory Panel, according to the provisions of section 28 of the Consumer Product Safety Act (15 U.S.C. 2077), convened for the purpose of advising the Commission on the potential health effects and hazards, including carcinogenicity, neurotoxicity, mutagenicity, and other chronic and acute effects on consumers exposed to fabrics intended to be used in residential upholstered furniture which would be chemically treated to meet the Commission's proposed flame-resistant standards. In lieu of the requirements of section 31(b)(2)(B) of such Act (15 U.S.C. 2080(b)(2)(B)), the Panel may meet for up to one year.

(c) The Chronic Hazard Panel convened by the Commission under subsection (b) for purposes of advising the Commission concerning the chronic hazards of flame-retardant chemicals in residential upholstered furniture shall complete its work and furnish its report to the Commission not later than one year after the date of the establishment of the Panel, except that if the Panel finds that it is unable to complete its work adequately within the one year after this establishment, it shall—

(1) advise the Commission that it will be unable to complete its work within one year;

(2) furnish the Commission with an interim report at the expiration of such year discussing its findings to date; and

(3) provide the Commission with an estimated date on which it will complete its work and submit a final report to the Commission.

(d) The Commission shall furnish the interim report, and the estimated date on which the Panel will complete its final report, to the House Committee on Commerce, the Senate Committee on Commerce, Science, and Transportation, the House Committee on Appropriations and Senate Committee on Appropriations. The Commission shall furnish the final report to the House Committee on Commerce, the Senate Committee on Commerce, Science, and Transportation, the House Committee on Appropriations and Senate Committee on Appropriations.

(e) No additional funds shall be expended by the Commission on developing flammability standards for residential upholstered furniture until 3 months after the Commission has furnished either the interim report or the final report of the Panel to the House Committee on Commerce, the Senate Committee on Commerce, Science, and Transportation, the House Committee on Appropriations and Senate Committee on Appropriations.

(f) The Commission, before promulgating any final rule setting flammability standards for residential upholstered furniture shall report to the House Committee on Commerce, the Senate Committee on Commerce, Science, and Transportation, the House Committee on Appropriations and Senate Committee on Appropriations on the report of the Panel, and the anticipated costs of the flammability standards regulation, including costs resulting from—

(1) public exposure to flame-retardant chemicals in residential upholstered furniture;

(2) exposure of workers to flame-retardant chemicals in the manufacture, distribution and sale of textiles and residential upholstered furniture;

(3) the generating, tracking, and disposing of flame-retardant chemicals and hazardous wastes generated from the handling of flame-retardant chemicals used on textiles and residential upholstered furniture; and

(4) limited availability in particular geographic regions of competing flame-resistant chemicals approved for use for residential upholstered furniture.

(g) In addition to amounts appropriated elsewhere in this Act, there is appropriated to the Consumer Product Safety Commission $5,000,000 to carry out this section.

AMENDMENT OFFERED BY MR. OBEY

Mr. OBEY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. OBEY:

At the end of the bill, insert the following new section:

SEC. . The amount otherwise provided by this Act for the Department of Veterans Affairs—Veterans Health Administration, Medical care, equipment and land and structures object classifications, is hereby reduced by $69,000,000.

Mr. OBEY. Mr. Chairman, I would like to explain this amendment, because it is not apparent on its face what it does.

Without reading the rest of the bill, although it appears to be reducing funds for veterans' medical care, it, in reality, does just the opposite. Reducing the amount available for equipment and land and structures by $69 million in budget authority provides, in reality, $53 million more for actual spending in outlays for veterans' health care, and I would like to explain to the House why.

For the past few years, the administration and the Congress have been engaged in a budgetary slight of hand to

try to make dwindling resources stretch further. The device is called the delayed equipment obligation. The gimmick is to provide several hundred million dollars for the equipment needs of the VA health care system and then to prohibit the VA from actually using those funds until very late in the fiscal year, thus temporarily saving outlays.

Last year, $570 million was provided for equipment with the obligations delayed until August. This year's budget level requires even grander thinking. The administration proposed to delay the obligation of $635 million for equipment, land and structures; and faced with an extremely tight budget allocation, the Committee on Appropriations recommended that $846 million for equipment be delayed for obligation until next August.

□ 1400

The impact of increasing the amount of delayed equipment obligation by more than $200 million above the request is to actually reduce the basic medical care amount to a level $276 million below the 1998 program.

This is simply unacceptable, in the view of many veterans' organizations. To the extent possible, while remaining within budget totals, my amendment seeks to adjust that imbalance. It reduces the delayed equipment obligation by $69 million in Budget Authority and increases the basic medical care activity by a similar amount.

The effect is to make funds available at the start of the fiscal year for hands-on health care delivered to veterans. To do this results in $53 million more in that spending during the year, according to the CBO. That is the amount of outlays that currently are available and unused, left on the table, as it were, in this bill.

For those concerned about the size of the VA's medical equipment backlog, Mr. Chairman, let me say that my amendment still provides $775 million for such requirements. That is $205 million above the 1998 level, $140 million above the Administration's 1999 request, and $88 million above the Senate's recommendation.

Because it results in more hands-on veterans medical care, earlier this year veterans groups supported my amendment. Here I have a letter from the Paralyzed Veterans Association, another from the Blinded Veterans Association, and another from the Disabled American Veterans, all indicating support for this amendment, and other letters will be forthcoming.

To summarize, this is a simple amendment. It does not hurt any program. It takes the outlays that are left on the table. There is no offset required to accelerate spending for veterans' health. Reduced equipment obligations by $69 million actually increases hands-on medical care by the same amount. That is what the veterans want. That is what the veterans organization groups feel they need. That is what this House ought to do.

Mr. LEWIS of California. Mr. Chairman, will the gentleman yield?

Mr. OBEY. I yield to the gentleman from California.

Mr. LEWIS of California. We have had a chance to review the the gentleman's amendment. We appreciate the the gentleman's assistance to the committee, and we accept the amendment, Mr. Chairman.

Mr. STOKES. Mr. Chairman, will the gentleman yield?

Mr. OBEY. I yield to the gentleman from Ohio.

Mr. STOKES. Mr. Chairman, we accept the amendment.

Mr. OBEY. Mr. Chairman, I thank the chairman and ranking member.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Wisconsin (Mr. OBEY).

The amendment was agreed to.

Ms. STABENOW. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I would like to engage in a colloquy with the distinguished gentleman from California (Mr. LEWIS), chairman of the Subcommittee for the VA, HUD and Independent Agencies of the Committee on Appropriations.

I want to thank the chairman for providing an increase in funding for NASA's academic programs. Inspiring our youth, our youth's teachers, and the general public is absolutely essential to sustaining our Nation's edge in research and development in space exploration.

I applaud the subcommittee's funding equipment. However, I am concerned about the House mark that does not provide an increase in funding for an academic program that literally has touched millions of people's lives. As Members know, one of the most effective academic programs launched by NASA is the National Space Grant College and Fellowship program, with over 586 member universities and institutions in every State.

I would ask that the Chair adopt the Senate budget mark of $23.5 million for the National Space Grant College and Fellowship Program when the VA, HUD and Independent Agencies appropriations goes to conference.

Mr. LEWIS of California. Mr. Chairman, will the gentlewoman yield?

Ms. STABENOW. I yield to the gentleman from California.

Mr. LEWIS of California. Mr. Chairman, I thank the gentlewoman from Michigan for bringing this issue to our attention. As a distinguished member of the Committee on Science, I appreciate the gentlewoman's commitment to research and development, as well as to education.

I agree with the gentlewoman that the National Space Grant College and Fellowship Program is a worthwhile program that deserves additional funding, and I want to assure the gentlewoman that I will take the advice of the gentlewoman and give serious consideration to it during the conference negotiations.

Ms. STABENOW. Mr. Chairman, I would like to thank the gentleman from California for all of his hard work on this appropriations bill. I am encouraged by his words to look closely at the Senate mark of $23.5 million for the National Space Grant College and Fellowship Program.

Let me also say that I appreciate the gentleman's willingness to work with me and all of the other Members of Congress who feel strongly about this program, and I look forward to a positive outcome.

Mr. LEWIS of California. Mr. Chairman, let me thank the gentlewoman from Michigan (Ms. STABENOW) for her kinds words. I look forward to resolving the issue as we go forward to the conference.

AMENDMENT OFFERED BY MS. DELAURO

Ms. DELAURO. Mr. Chairman, I offer an amendment.

Mr. LEWIS of California. Mr. Chairman, I reserve a point of order on the amendment.

The CHAIRMAN. A point of order has been reserved.

The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Ms. DELAURO:

At the end of the bill add the following new section:

None of the funds made available under this Act may be used to develop and enforce the standard for the flammability of children's sleepware sizes 0 through 6X (contained in regulations published at 16 CFR part 1615) and sizes 7 through 14 (contained in regulations published at 16 CFR part 1616) as the standard was amended effective January 1, 1997.

Ms. DELAURO. Mr. Chairman, this is an amendment which will protect America's children from burn injuries and from death. I feel confident that every Member of this body will support it.

This amendment would prohibit the Consumer Product Safety Commission from using any of its resources to promulgate or implement weakened fire and safety standards for children's sleepwear.

For more than two decades children's sleepwear was held to a more stringent standard of fire safety than any other type of clothing. Kids' pajamas needed to self-extinguish after exposure to a small open flame. Manufacturers were required to test every part of the garment's fabrics, seams, and the trim, to ensure that it met this high standard of safety. Why this strict standard of safety? Because Americans understood the importance of protecting their children from the horrific burns that can come from a fire accident.

I saw a demonstration of in my home State of Connecticut of just how fast a pair of pajamas that are not treated to reduce flammability can go up in flames. It was horrifying and it was frightening. The strict standard of fire safety worked. Fire burns and deaths relating to children's sleepwear went down to nearly zero. In fact, the National Fire Protection Agency estimates that without this safety standard, there would have been ten times as

many deaths associated with children's sleepwear. The standard also brought about a substantial decrease in the number of burn injuries.

That is why I was shocked to learn that the Consumer Product Safety Commission, an agency for which I have the utmost respect, had voted to turn its back on that successful record and to weaken the fire safety standards for children's sleepwear.

The current standards allow all sleepwear for infants nine months or younger and tightfitting sleepwear in children's sizes up to 14 to be exempt from flammability standards so that they can be made from untreated cotton and cotton blends. These types of clothes can easily ignite from a stove or other types of flames.

Tight-fitting clothes made with flame resistent material are the safest choice for children. Nonflame-resistent materials like untreated cotton and cotton blends ignite at a lower temperature than fabrics such as polyester. The flames spread rapidly, and they tend to spread up towards the child's face.

The reasoning behind the new rules is that if a garment is tight, it is more difficult for flames to spread. Parents do not buy clothes that are tight. We have all bought clothes for new babies. We buy them for our kids and we buy them for our friend's kids, and they look beautiful. They are very, very pretty. We think how cute it is, and we buy clothes that are big so a child grows into them.

But the combination of nonflame resistance and large sizes is lethal to our kids. It is important to note that the chair of the Consumer Product Safety Commission voted against changing the standards, and she said, ''Available injury and death data demonstrates to me that the sleepwear standards are working. I am unable to agree to an exemption that could leave these infants more vulnerable to injury or to death.''

I have been working with the gentleman from New Jersey (Mr. ROB ANDREWS) and the gentleman from Pennsylvania (Mr. CURT WELDON), two of this body's most eminent experts on fire safety, to reinstate the original fair safety standards to protect our children from burns and from death. We are backed by a large coalition of fire safety organizations, medical organizations, public health groups, who are dedicated to protecting our children and reinstating this standard.

Let me just quote from one member of that coalition, Andrew McGuire, executive director of the Trauma Foundation at San Francisco General Hospital, who was burned when his pajamas caught fire in 1952, on his 7th birthday. He was instrumental in lobbying for the passage of the original standard.

This is what he says, that the children's sleepwear fire safety standard has been ''a truly successful 'vaccine' that has protected thousands of children from serious burns over the past 25 years. No one in America would consider reducing the use of the vaccine for polio. Why would the CPSC relax such a life-saving vaccine for burns?''

Andrew McGuire is right, we do not want to wait for the number of fire burns and deaths to rise before we take action to protect our children. One death is too many. One child living with a disfigurement left from a burn is too many. This is a life or death issue for our children.

This is a bipartisan effort. We have the responsibility to protect our children's health and safety. It does not belong to one party or another. We all hold that responsibility. I urge my colleagues to stand behind our Nation's children and support this amendment.

The CHAIRMAN. Does the gentleman from California (Mr. LEWIS) continue to reserve the point of order?

Mr. LEWIS of California. Mr. Chairman, Yes, I do.

Mrs. LOWEY. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, I just came down to talk on another amendment, which I believe will follow this amendment.

I just want to say to my colleagues that I rise in strong support of the amendment of the gentlewoman from Connecticut. As a mother, as as a grandmother, it is shocking to me that these laws that were put in place to protect our youth, our infants, would be weakened.

I just appeal to the House to support my colleague from Connecticut, because when we have a chance to save lives, it seems to me we should do everything we can to do so. So I strongly support the gentlewoman from Connecticut's amendment. I thank her for introducing it.

Mr. ANDREWS. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise in strong support of the amendment. The amendment proposed by my friend, the gentlewoman from Connecticut (Ms. DELAURO), and the coauthor of legislation, along with the gentleman from Pennsylvania (Mr. WELDON) and myself, would have restored the sleepwear safety standard that worked so very well for 24 years.

I want to take a moment and talk about why this is important, and how we got to this point. It is important, Mr. Chairman, for a very simple reason. When people go into the store and they look to buy sleepwear for their children, there are basically two kinds of sleepwear. There is sleepwear that will catch on fire and burn in an instant, that is not treated for flammability, and then there is sleepwear that will not catch on fire and it will burn much more slowly, because it is treated for flammability.

For 24 years, the law of this country recognized that distinction. If we went in and bought sleepwear for our children that was treated for flammability, we knew it, because there was a label there. If it were not treated for flammability, we knew that, because there was no label. Parents and others buying for their children could be intelligent consumers and safeguard their children.

If we listened to the testimony of emergency room nurses, emergency room doctors, firefighters, burn center personnel, lots of nonpolitical people who deal with burned children, they would have told us that this law made sense. If it is not broke, do not fix it.

In 1996, for reasons that are inexplicable, the Consumer Product Safety Commission decided to change this law and take the warning labels off flammable sleepwear. The gentlewoman from Connecticut (Ms. DELAURO) and the gentleman from Pennsylvania (Mr. WELDON) and I introduced a bill to say let us go back to a standard that worked for 24 years, and let us get it done through this legislation.

Through the cooperation and farsightedness of the chairman of the subcommittee of this bill today, we were given that opportunity. We appreciate it very much, and thank him for his cooperation.

When this bill was brought to the floor, the rule was written in such a way that any one Member, one Member, could stand up and have this provision stripped from the bill without a vote. That just happened a few minutes ago.

The gentlewoman from Connecticut (Ms. DELAURO) has now done the next best thing. She has said, if we cannot get the old standard back, let us enjoin the use of the new one, which emergency room doctors, emergency room nurses, and other personnel in the fire service around this country say do not work.

What we really should be doing here, Mr. Chairman, is having a fair debate and an up-or-down vote on the real, underlying bill, which says let us put the standard that worked for 24 years back in. We were not getting that. But this is the next best thing.

On behalf of children across this country, consumers across this country, emergency room nurses, burn center personnel, and on behalf of Republicans and Democrats in this institution, I would implore and urge my colleagues to vote yes on the DeLauro amendment.

Mr. LEWIS of California. Mr. Chairman, while we are not the authorizing committee, I no longer reserve a point of order on the amendment.

Mr. BONILLA. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I want to make it clear that, to those of who have raised questions about such an effort through this amendment, and I have a 9-year-old boy and a 13-year-old girl, and I know my colleague, the gentleman from Texas (Mr. THORNBERRY), has young children as well, this is not a question of being concerned about children. It is about doing the right thing and using the right vehicle to accomplish it.

□ 1415

There is not a person in here who is going to stand up and ever object to us doing everything we possibly can to protect our children from any kind of injury or any kind of accident. But the initial effort to try to write law in this bill was deemed inappropriate earlier through a parliamentary ruling because we really had not had a chance to talk about this and figure out what the facts are.

I have a letter in my possession dated July 8 of this year from the U.S. Consumer Product Safety Commission that clearly States an opposition by commissioner Ann Brown who clearly states that the current rules, as they have been changed, should remain and we should not do anything to go back to the way they were before.

There have been no burn injuries associated with any snug-fitting garments that we are aware of. Certainly, accidents occur out there and we are not sure of what the causes are in each particular case. But I think that in light of the fact that we have not had hearings on this. I might support this if we had the appropriate hearings and used the appropriate vehicle.

But it is like trying to use one of those new Volkswagen beetles to haul a giant cabinet down the highway. It is just the wrong vehicle to use to accomplish a goal.

So I would strongly urge my colleagues to let us go through the process and not rush an amendment that Members have not even had a chance to look at. It was presented within the last 15 to 20 minutes and we have just barely gotten around to figuring out what it says exactly. It is the wrong way to write Federal law.

We always know that when the Federal Government tries to legislate quickly without really thinking things through, we wind up messing the problem up worse than it was when we started out. That is my concern.

Mr. Chairman, I emphasize that none of us in this body with young children, as I have and the gentleman from Texas (Mr. THORNBERRY) has, would do anything to risk the safety of a child in this country. Our only concern is that we want to do the right thing for the kids and for everyone involved in this issue.

Mr. THORNBERRY. Mr. Chairman, will the gentleman yield?

Mr. BONILLA. I yield to the gentleman from Texas.

Mr. THORNBERRY. Mr. Chairman, I want to support what my colleague is saying with two additional concerns. Number one is the effect of this provision overrides the judgment of the Consumer Product Safety Commission, not something necessarily that we should do lightly. And I do not think anyone should accuse them of wanting to lower safety standards for children.

Secondly, it is a far more complicated question than a simple speech on the floor can indicate. For example, those of us with small children know that when it comes to bedtime, normally what a lot of children sleep in are big, bulky cotton T-shirts. They like the feel of cotton, but that big bulk presents some dangers to them.

That was one of the concerns that has motivated the Consumer Product Safety Commission to take another look at these standards. If people are going to want to put cotton on their children to have a tighter fitting garment, which is part of where this arises.

So I want to share the concern of the gentleman from Texas (Mr. BONILLA). This is not as simple as some would have us believe. And I hope as this thing moves forward through the legislative process, we can take a more careful look at it to truly make children safer because that has got to be the goal for all of us.

Mr. BONILLA. Mr. Chairman, reclaiming my time, I appreciate the comments of the gentleman from Texas (Mr. THORNBERRY). I would also concur; my kids sleep in those baggy T-shirts as well.

Mr. HINCHEY. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I want to rise in favor of this amendment.

Ms. DELAURO. Mr. Chairman, will the gentleman yield?

Mr. HINCHEY. I yield to the gentlewoman from Connecticut.

Ms. DELAURO. Mr. Chairman, I thank the gentleman from New York (Mr. HINCHEY) for yielding me this time.

Mr. Chairman, I think it is interesting to note that we just passed a major health reform bill in this body, managed care reform. The single biggest issue on the minds of the American people in this country and we did it without a hearing. Without one single hearing. The majority party would not allow any hearings on a major health care reform bill in this body.

This is an issue that has nothing to do with the issue of whether or not we have hearings. I will tell my colleagues what it has to do with, and I will quote, not my comments, but I will quote from Molly Ivins on June 27. This is a quote about the gentleman from Texas (Mr. BONILLA):

''Bonilla will move to strike DeLauro's amendment today. He told The Washington Post last week, 'I don't have a huge cotton constituency in my district, but my State does,' and added that the Texas drought has already taken a toll on cotton farmers. 'They came to me and explained this would place severe restrictions on what they could produce.'

''Excuse me—did I just hear someone say that we could bail out the cotton farmers by letting more little kids get burned to death every year?''

Mr. ANDREWS. Mr. Chairman, will the gentleman yield?

Mr. HINCHEY. I yield to the gentleman from New Jersey.

Mr. ANDREWS. Mr. Chairman, I want to set the record straight on the position of Ann Brown, who was the chairperson of the Consumer Product Safety Commission at the time the rule change was done.

I have in my possession, and I will submit it at the appropriate time for the RECORD a letter from Ann Brown to my the gentlewoman from Connecticut, April 10, 1998, in which she says the following. It is addressed to the gentlewoman from Connecticut (Ms. DELAURO):

''As you know, I share your views.'' The letter goes on to say, ''in these circumstances, it appears the only remedy is legislative action to restore the previous rule.'' The previous rule, referring to the one that was in effect for 24 years. So, Ms. Brown's position is in support of our effort.

The second thing I would like to say is it is extraordinary, this commitment to regular order and procedure. This is the same bill that is rewriting the entire public housing policy of the United States of America through legislating on an appropriations bill. I would invite my colleagues who are so enraged by this departure from regular order to join those of us who are concerned about that.

Ms. DELAURO. Mr. Chairman, will the gentleman yield?

Mr. HINCHEY. I yield to the gentlewoman from Connecticut.

Ms. DELAURO. Mr. Chairman, let me make another point about the issue of hearings. The fact of the matter is when we hold hearings, we bring in new information, new ideas, in a process that goes before the committee to listen to.

This is a set of regulations that has been on the books for the last 25 years. It has worked. These standards have worked. Not according to Democrats or Republicans or the political people, but in fact according to the medical community, to fire marshals, to fire chiefs, people who work in burn units all over this country have banned together to say it is wrong to eliminate these standards. Why are we not listening?

Mr. LEWIS of California. Mr. Chairman, will the gentleman yield?

Mr. HINCHEY. I yield to the gentleman from California.

Mr. LEWIS of California. Mr. Chairman, I would speak to the gentlewoman from Connecticut (Ms. DELAURO) by way of the gentleman from New York (Mr. HINCHEY). If we could, to kind of help work with the time of the day which is running, and as I think the points have been made very effectively, I think the gentleman from Ohio (Mr. STOKES) and I would be willing to accept the amendment.

Mr. STOKES. Mr. Chairman, will the gentleman yield?

Mr. HINCHEY. I yield to the gentleman from Ohio.

Mr. STOKES. Mr. Chairman, on this side, we would accept the amendment.

Mr. HINCHEY. Mr. Chairman, reclaiming my time, I thank the gentlemen.

The CHAIRMAN. The question is on the amendment offered by the gentlewoman from Connecticut (Ms. DELAURO).

The amendment was agreed to.

AMENDMENT NO. 33 OFFERED BY MR. COBURN

Mr. COBURN. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 33 offered by Mr. COBURN: At the end of the bill, insert after the last section preceding the short title) the following new sections:

SEC. . The amounts otherwise provided by this Act are revised by reducing the amount made available under the heading ''DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT—FEDERAL HOUSING ADMINISTRATION—FHA—MUTUAL MORTGAGE INSURANCE PROGRAM ACCOUNT'' for non-overhead administrative expenses necessary to carry out the Mutual Mortgage Insurance guarantee and direct loan program, and increasing the amount made available for ''DEPARTMENT OF VETERANS AFFAIRS—VETERANS HEALTH ADMINISTRATION—MEDICAL CARE'', by $199,999,999.

SEC. . The amounts otherwise provided by this Act are revised by reducing the amount made available under the heading ''DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT—FEDERAL HOUSING ADMINISTRATION—FHA—GENERAL AND SPECIAL RISK PROGRAM ACCOUNT'' for non-overhead administrative expenses necessary to carry out the guaranteed and direct loan programs, and increasing the amount made available for ''DEPARTMENT OF VETERANS AFFAIRS—VETERANS HEALTH ADMINISTRATION—MEDICAL CARE'', by $103,999,999.

Mr. COBURN. Mr. Chairman, this is an amendment about fulfilling our obligations. This is an amendment about the government being truthful with our veterans. This is an amendment about supplying health care to veterans that is equal to what one can get in the private sector.

We are going to hear a whole lot of things as we discuss this amendment about where we are getting the money, how it is going to be affected. This past Saturday night, I had the pleasure and also the terrible, gut-wrenching remorse to see a very new movie called ''Saving Private Ryan,'' and I want to tell my colleagues that for the first time in my life, I truly now am understanding what some of the veterans have been telling me for the last 4 years.

When we see the price paid by our veterans, the price that they have paid with loss of limb, with loss of health, with loss of life, we can do nothing less than to fulfill our obligation to those men and women of the commitment that we made for them.

This is a very simple amendment. It is not complicated. It takes money that was used for a mandatory program last year, and the last 7 years, and moves that money, which has now been moved from a mandatory spending account, to veterans health care. It still will not get us to the point that the Committee on Veterans' Affairs authorizes and states we should be spending on veterans health care.

When our veterans are not given what they have been promised in terms of health care, we will never in the future be able to recruit the men and women that we need to defend our country because we will not have a track record of fulfilling our commitments.

There is going to be 9.3 million veterans in the year 2000. That veteran population is aging severely. We will see a large number of the World War II veterans require hospitalization, both now and in increasing amounts over the next few years. There is going to be almost 3.5 million World War II veterans at that time. The Veterans Advisory Committee recommends that we increase spending minimally $250 million just to catch up to the point where we can meet minimum needs.

I want to tell my colleagues, the people that are on Federal Health Care Employment Benefit policies in this body do not have near the worry that our veterans have. We have written for ourselves, and all the rest of the Federal employees, a health care plan that is comparable to none. It is better than. But we have not given that same thing to our veterans.

To not supply the minimal needs as required and recognized by the authorizing committee is inappropriate and it is also unpatriotic and it fails to recognize the tremendous sacrifices that have been paid.

Under law, veterans centers are mandated, prosthetic spinal cord clinics, chronic care clinics, blind rehabilitation, which we are not funding adequately that which has been mandated. We are cutting services at every hospital. We are decreasing the quality of care by increasing the quantity of patients seen, and giving tertiary providers and secondary providers their care. Not that it is substandard in the regular community, but it is less than what they were promised.

Just to keep up with fiscal year 1998 level services, spending needs to be increased by $681 million over last year just to account for health care cost inflation and increases.

What this bill does is move $304 million. It moves it from the administration, a nonoverhead administrative account, into veterans health care.

As Members are asked to vote for this amendment, the real question that they are going to have to ask themselves is do they think we ought to be absorbing the administrative overhead of HUD programs in the mandatory accounts or can we and dare we continue to do and manage HUD the way we have in the past, and in fact do what we are obligated to do for our veterans?

Mr. Chairman, with that, I yield back, noting that I would like to hear from the gentleman from California (Chairman LEWIS) on this amendment.

Mr. LEWIS of California. Mr. Chairman, I rise very reluctantly in opposition to the amendment.

Mr. Chairman, I think it is very, very important for the House to know and to revisit the reality that veterans programs, especially veterans' medical care programs, have very broadly-based, bipartisan, almost nonpartisan support within the House. Of all the accounts in this very complex bill where we have consistently appropriated dollars above and beyond the President's request, it is the veterans' accounts. Of all the accounts, we have not reduced veterans programs. This account has received that support.

We worked, and I would appreciate the gentleman listening to this, we worked very closely with the veterans service organizations regarding the medical care accounts. But let me say to my colleague, I personally have a very strong disagreement with many of those organizations.

☐ 1430

While I usually join hands with them in supporting additional funding for veterans programs, all too often I cannot get them to join me to go out to the hospitals where veterans are treated and make certain those monies are being spent in a fashion that assures that our veterans are treated as human beings, not as people with a number on their forehead.

So the VA has a lot of work to do there. I hope that my colleague would assist me with communicating that to our VSOs and make sure the dollars we are spending are being used in a maximum way for the positive benefit of all veterans being served.

Mr. COBURN. Mr. Chairman, will the gentleman yield?

Mr. LEWIS of California. I yield to the gentleman from Oklahoma.

Mr. COBURN. Mr. Chairman, I could not agree with the gentleman. As a matter of fact, in my district we have gone through a transition in a veterans hospital, Muskogee Veterans Hospital, in which we have seen a redirection in the change. But that does not negate the fact that there is not enough dollars to meet the obligations. Yes, we have increased it, but we have not increased it to what we need to meet the obligations for our veterans. I would love to give the gentleman some examples.

Mr. LEWIS of California. Reclaiming my time, Mr. Chairman, let me go back to my point. The gentleman, I know, has many points that he will make. But indeed, within this bill there is a great variety and mix of accounts that we have tried to balance.

I think most of our colleagues understand that one of the issues that has floated around here all year long and has raised a lot of controversy involves FHA loan limitations. It happens that the gentleman has decided to take funding that HUD uses to administer those programs.

Literally the progress we made earlier in the year on that FHA issue would be undermined, dramatically undermined by the gentleman's amendment. Whether we like it or not, those funds have to be administered in the

fashion that is outlined in this bill or the programs will not be administered. Indeed, it has been suggested that this funding is not included on the Senate side and thereby is not needed. The reality that funds are not on the Senate side is exactly why they are needed at this point within this bill.

So while I understand and appreciate the gentleman's circumstance, there is many an account in this bill that I would love to zero to put more money in veterans programs. In the past, I have had some difficulty zeroing programs where I have proposed that we do exactly what the gentleman is talking about.

This is a fairly balanced bill. So reluctantly, as I have suggested, I would resist the gentleman's amendment.

Mr. STOKES. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in opposition to the Coburn amendment. It would cut administrative funds available to the FHA by more than one-third, thereby crippling its operations.

I am in favor of providing additional funds for veterans health care, if a way can be found to do this. However, I cannot support increasing funds for the Department of Veterans Affairs at the price of virtually shutting down the Federal Housing Administration. The FHA and its programs are well known to most of the Members. The largest FHA program is single family mortgage insurance, what most of us simply know as FHA mortgages.

This program has made homeownership affordable for literally millions of American families, especially first-time home buyers, families with modest incomes, minorities, women and residents of inner cities. Other major FHA programs provide major insurance or other forms of credit for multifamily apartment construction, home repair, hospitals, nursing homes and many other purposes.

While there might be disagreements about the details of some of the FHA's programs, few of us, if any, advocate shutting down or crippling the FHA. Yet that is exactly what the Coburn amendment threatens to do.

In our bill we provide four line item appropriations for the administrative costs of the FHA. The Coburn amendment essentially eliminates the appropriations for two of these line items, leaving just one dollar in each of the accounts. That is a cut of $306 million, a reduction of 36 percent in the FHA administrative funds provided by the bill.

The two particular line items that the Coburn amendment virtually eliminates provide funds for contracting. This includes the contracts to operate and maintain all of the FHA's basic computer and data processing systems, including systems for accounting, processing claims, collecting premiums, managing assets and the like. Other contracts funded through these appropriations cover things like auditing, property appraisals, loan management. These are not just incidentals of some kind of bureaucratic overhead. Rather, they are all core functions for a credit program like the FHA.

Even if funds could be shifted from the FHA's two other line items to cover these costs, then things covered by other appropriations would be left unfunded.

However we slice it, I do not see how the FHA can function with a 36 percent cut in its budget for operations and administration.

I would hope that we would defeat the Coburn amendment.

Mr. SCARBOROUGH. Mr. Chairman, I move to strike the requisite number of words.

Let me say, first of all, I want to state that I do appreciate what the chairman of this committee has done over the years. I want to also thank the gentleman from Arizona (Mr. STUMP) for what he has done for the Committee on Veterans' Affairs and for all the men and women on the Committee on Veterans' Affairs and also on the Subcommittee on VA, HUD and Independent Agencies, because we can trace over the past 3 or 4 years the budgets that have come out of this House and also the budgets that have come out of the administration and see that their efforts have been truly heroic.

Regrettably, in my opinion, this administration has continued to slash veterans funding too much. All we have to look at for evidence of that is the balanced budget deal that was passed back in 1997. The only two areas where real spending cuts took place, I am talking real cuts, not freezes, not increases that people in Washington called spending cuts, the only two areas where there were real cuts were in defense dollars that affected military retirees' medical accounts and also in the veterans area where there was a $3 billion cut. Talk about shameful, that is shameful. And certainly I do not stand here in the well of this House and say that has any reflection on either the gentleman from California (Mr. LEWIS) or the gentleman from Arizona (Mr. STUMP) or the members on those respective committees. In fact, I want to thank them on behalf of all of the veterans in my district for the great fight that they have put forward.

However, I do support this amendment, the Coburn amendment. I do that because I have more military retirees, which this does not affect, and veterans in my area, and I have seen from the past 3 or 4 years the declining medical state of those people in my district. I have no other choice but to be here.

I have a brief question to ask the gentleman from Oklahoma regarding a statement that was said over here. We heard from the ranking member that somehow the FHA would be crippled if the gentleman's amendment passed. That is something I do not want to do. I would like some clarification. It is my understanding that this bill actually increases FHA funding by 50 percent. Could the gentleman enlighten me on that matter?

Mr. COBURN. Mr. Chairman, will the gentleman yield?

Mr. SCARBOROUGH. I yield to the gentleman from Oklahoma.

Mr. COBURN. Mr. Chairman, this bill, under current FHA operation, increases FHA administration by 50 percent over what it was last year in terms of the dollars.

Number two, this is into an account called nonoverhead administrative expenses. It is a new provision. It was not in there last year. Neither the committee report nor the actual text of the bill provides any explanation as to what this money will be used for or why FHA needs more than a 50 percent increase in funds for administrative and overhead expenses. While the President requested this money, there is no explanation other than to say that the result of FHA correcting the allocation of administrative expenses among its budgetary accounts.

Finally the Committee on Banking and Financial Services, which has jurisdiction over FHA, made no mention of these nonadministrative overhead expenses in their review and their view on the fiscal year 1999 budget request. HUD claims they need this money to keep the Federal Credit Reform Act. For the past 7 years, FHA has used mandatory spending to meet these costs. Now OMB tells them they need discretionary funds to meet these costs or they need statutory language so that they can continue to use mandatory money.

This amendment will allow the conference to add the language, as the Senate seems to intend on doing, by not appropriating money for this account.

Mr. SCARBOROUGH. Reclaiming my time, I thank the gentleman and will be supporting his amendment. Again, I want to say I understand the extremely difficult balancing act the chairman of this committee undertakes and I certainly, despite supporting this amendment, I want to thank the gentleman from California (Mr. LEWIS), and I also want to thank the gentleman from Arizona (Mr. Stump) for all the work they have done on behalf of the veterans in my district.

Mr. OBEY. Mr. Chairman, I move to strike the requisite number of words.

I would like to ask the gentleman from California a number of questions, if he would not mind responding.

I wonder if the gentleman would be willing to answer a number of questions about how the FHA fund works. It has just been alleged that the FHA funding level for administrative purposes is 50 percent above last year's level. Is it not true that in the past, FHA funded these operations simply by taking their own funds and using them without a congressional appropriation? And is it not true that OMB said that they could no longer do that, that they

could only perform those functions if they actually got an appropriation from Congress? And is it not, therefore, a fact that there is no real increase whatsoever in the dollar level that is available to FHA for these purposes?

Mr. LEWIS of California. Mr. Chairman, will the gentleman yield?

Mr. OBEY. I yield to the gentleman from California.

Mr. LEWIS of California. Mr. Chairman, the gentleman is correct. Indeed, this is the first year that we will have had this kind of account within our bill to my knowledge.

Mr. OBEY. So there is no increase in the amount of money available to the FHA for these administrative purposes?

Mr. LEWIS of California. Mr. Chairman, I was going to ask the question, where these numbers came from. Frankly, I did not want to embarrass anybody.

Mr. OBEY. Let me also then ask the gentleman, is it not true that the effect of this amendment goes to the services which are contracted for by FHA?

Mr. LEWIS of California. Mr. Chairman, that is correct.

Mr. OBEY. And is it not true that those services are, for instance, appraisals that FHA is required to obtain and computer services, without which FHA could not function and could not cut checks that they are supposed to cut?

Mr. LEWIS of California. Mr. Chairman, the gentleman is correct. As I said in my opening remarks regarding this amendment, it concerns me that this cut could undermine all the work we have been doing all year long on FHA accounts.

Mr. OBEY. So that is why the gentleman from California said, in essence, that if this amendment is passed, it would shut down the ability of the FHA to function without these services to American homeowners.

Mr. LEWIS of California. The gentleman is correct.

Mr. OBEY. Mr. Chairman, I thank the gentleman.

Mr. RYUN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, first of all I want to thank the gentleman from Oklahoma for offering this amendment. I want to stand and speak in strong support of it.

I think it is very important at this point that we restore confidence in this country's commitment to our veterans. Currently our military is in its 14th year of declining budgets. That means benefits are being cut for our current active duty men and women who serve this country. This discourages our young men and women who are involved in the service.

I think it is very important that we send a very positive message to them, to our current active military as well as our veterans, that we will make good on our commitment to them. And this is an opportunity to ensure that those benefits will be there and that we will continue to work to fulfill those commitments.

I recognize that this is difficult and the gentleman from California (Mr. LEWIS) and the gentleman from Arizona (Mr. STUMP) have worked very hard, but I want to thank the gentleman from Oklahoma for offering this amendment.

Mr. COBURN. Mr. Chairman, will the gentleman yield?

Mr. RYUN. I yield to the gentleman from Oklahoma.

Mr. COBURN. Mr. Chairman, I would just like to make a couple of points.

Number one, I do appreciate the chairman's work for veterans. This amendment is not intended to imply in any way that his concern and care for veterans and that his responsibility for increasing veteran spending in the last 4 years is anything less than stellar.

I think the assumption made by the gentleman from Wisconsin that if this money is not in there that everything is going to shut down is not an accurate assumption.

□ 1445

As a matter of fact, that assumption would mean to say that the Senate intends to shut down HUD and FHA loans because they have put no money in for this amendment.

The other thing that I would want to make sure that the Members are aware of, that the American Legion, the Order of Purple Heart and the Veterans of Foreign Wars adamantly and fully support this amendment. It will in fact move us in a direction of meeting the obligations that we are obligated and morally bound to fulfill.

Mr. LEWIS of California. Mr. Chairman, will the gentleman yield?

Mr. RYUN. I yield to the gentleman from California.

Mr. LEWIS of California. I know the gentleman did not mean to even suggest that the Senate would know more about the process than we might, but this is the first time this year that we have had this kind of responsibility in our bill. I must say that the other body seemed to be unaware of this need. Indeed, it would have a significant impact upon this administration. It is a new ball game, so I can understand misunderstanding, even on the part of the Senate. And possibly there is some misunderstanding here within the House as well.

Mr. SHADEGG. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I too would like to join the others in this Chamber complimenting both the majority and the minority in drafting this bill, but I rise in very strong support of the gentleman's amendment.

Let me try to clarify the issue with regard to HUD funding. It is true that these HUD funds have in the past come from a different account. Indeed, for the past 7 years, FHA has used mandatory spending to meet these costs. But the OMB put out a report saying that in the future, one of two things would have to happen: Either, the OMB said, you must find discretionary funds to meet these costs, or you need a statutory change in language to continue to use the mandatory funding. The point being that while the gentleman argues there is no funding increase, in point of fact there has been no funding cut anywhere else; and if we appropriate this 50 percent increase in discretionary funding, we will in fact be spending more money. It does not have to happen. We can in fact fix the statutory language, avoid a 50 percent increase in HUD funding simply by changing the statute, and fund a cause that is extremely important.

So having talked about the fact that we do not need to increase spending by 50 percent, we do not need to spend an additional $304 million on non-overhead expenditures, administrative expenditures at FHA, we can continue the practice in the past with a mere statutory change in the language, I want to talk about why using this fund for VA health care is important.

I recently visited the VA hospital in Phoenix, Arizona. I was embarrassed to walk through that facility. In the southwestern United States, we face a difficult problem. Many of our Nation's veterans are retiring to the Sunbelt, to the South and the Southwest where it is warmer and they want to spend their final years. That has put an incredible burden on our veterans hospitals. As my colleague has pointed out, we are underfunding our commitment to our veterans. This bill is a painless way to add $304 million critically needed to those VA health services. It is important that we step up to the plate.

All my life I have been kind of a fan and an aficionado of D-Day and the sacrifices that were made there. We all know that in this Capitol just a few days ago, a sacrifice was made to protect the people in this building. Our veterans have all made a sacrifice in their lives. With all due respect to the chairman of the committee and the ranking member, the gentleman's amendment will enable us to honor our commitment to provide health care to our veterans without increasing the spending at FHA simply by fixing the problem at FHA that OMB identified in a very simple administrative way. It does appear to be the same method that the Senate plans to use. If I can, I urge my colleagues, in the strongest possible terms, to join me and to join the gentleman in supporting this amendment and in honoring our commitment to America's veterans and to the health care needs that they have.

Mr. SAM JOHNSON of Texas. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I would just like to follow up on that. Our VA hospitals are important. In spite of a few of them maybe being bad, I believe that they are doing better, doing a better job and being more responsible. I can cite the Dallas VA as an example of that. So I

do not think that we need to wait to increase funding for our veterans. Our veterans are probably our most important product here in this country, and it is time we supported them fully.

I think it is important that not only all the veterans organizations support this amendment but our Conservative Action Team also on this side supports it. I think $304 million that we have been discussing back and forth here is kind of one of those nebulous things that nobody has really put their finger on to say it is really needed. If it was not there last year, why do we need it this year, and they can waive the rules so that it can operate under mandatory funding. Apparently that is what our Senate did.

I would encourage us to help our veterans. It is an aging population, as has been stated before. Our age is going to peak in the year 2000. We need to have more money in that system. The Committee on Veterans' Affairs recommended about $452 million above the House level. This $300 million will start to make our veterans well. I encourage all Members to vote for the Coburn amendment.

Mr. HINCHEY. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I yield to the gentleman from Ohio (Mr. STOKES).

Mr. STOKES. I thank the gentleman for yielding to me.

I would ask the maker of the amendment, the gentleman from Oklahoma (Mr. COBURNs), the gentleman sent out a Dear Colleague letter. In his letter, he makes reference to the fact that they need statutory language so that they can continue to use mandatory money.

Does the gentleman agree with me that under his language, that is, if we use mandatory language, that that in effect is also spending for which the committee would be charged and that if we are charged with it, we will go over the 302(b) allocation?

Mr. COBURN. Mr. Chairman, will the gentleman yield?

Mr. HINCHEY. I yield to the gentleman from Oklahoma.

Mr. COBURN. That is right. What we are saying is if we write that statutory language, we will continue to take administrative expenses from the mandatory side rather than from the discretionary side. That is how you have been doing it the last 7 years.

Mr. STOKES. If I can bring this to the attention of the gentleman, ''Substantive changes to or restrictions on entitlement law or other mandatory spending law in appropriations laws will be scored against the Appropriations Committee's section 302(b) allocations in the House and the Senate.''

Is the gentleman aware of that provision of the law?

Mr. COBURN. Yes, I am, and I still would tell him that I will vote for a priority for our veterans over the administrative overhead of HUD every day.

Mr. STOKES. Then the gentleman does agree that we would exceed our 302(b) allocation by using the mandatory language.

Mr. COBURN. Mandatory spending does not count on 302(b) allocations.

Mr. STOKES. I just read the gentleman the law.

Mr. COBURN. I understand. But mandatory spending is not appointed against 302(b) allocations.

Mr. OBEY. Mr. Chairman, will the gentleman yield?

Mr. HINCHEY. I yield to the gentleman from Wisconsin.

Mr. OBEY. I would like to simply point out that there is no statutory authority for the agency to continue to do this through mandatory spending. If there were, then they would simply be spending the same amount of dollars in mandatory spending as they are spending through appropriated accounts.

Mr. COBURN. Absolutely.

Mr. OBEY. And so you would not be saving one dime. You would simply be adding in the real world as opposed to the green eyeshade accounting world, you would simply be adding more money to the budget. What you are suggesting is that there is a way that we can sneak around the budget limits without getting caught, and I thought that the CATs were opposed to stuff like that.

Mr. COBURN. First of all, I am not stating that a legislative waiver is necessarily the best answer. I know that may be the temptation of us as a body, and in fact we may need to do that. What I am saying is that there is a lack of available discretionary funds made between the two bodies. What the explanation for that is, I do not know. But the question that I would have is why does the CBO score a legislative waiver as a cost? CBO scores it as a cost because it is an actual change in the law. It is not, however, a change in practice.

Mr. OBEY. The fact is I cannot get into the head of OMB or anybody else around here. All I know is that we have a choice. The choice is whether or not we are going to tell Members that things are so that are not so. The fact is, Members are being told by your side that this will not shut down FHA. The fact is absent new statutory authority, it most certainly will. And your amendment will in fact cripple the ability of FHA to deliver housing to people in this country. Now, that is a fact, whether you admit it or not.

Mr. COBURN. If the gentleman will yield further, I would not have that interpretation of the facts, especially not in that absolute manner. I would also say, and I would reemphasize again, if this causes heartburn: ''So be it''. Our veterans are underfunded.

Mr. OBEY. I would suggest what you are saying is if this causes heartburn to all of the people who we supposedly helped in the Neumann amendment last week on FHA housing, you are saying: ''So be it.'' I do not think you ought to treat homeowners that way, either; certainly not struggling working people who need FHA to get access to the housing market.

Mrs. CHENOWETH. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I yield to the gentleman from California (Mr. LEWIS).

Mr. LEWIS of California. I appreciate the gentlewoman yielding.

Mr. Chairman, I think it is important for the body to know that while there may be some confusion about the impact of this amendment, and it is understandable because it is a new responsibility in terms of language that we have in this bill, it nonetheless would have a huge impact upon the administration of FHA programs and would thereby undermine that work that we are all involved in. I think there are some 250 Members who coauthored that effort we made a couple of weeks ago, and this would undermine much of what we did there. So it is important that we not, because we have a wish list, to take money from so-called easy housing programs and move it somewhere else. This is a very delicately balanced bill. I would urge the Members not to undo that FHA program they worked so hard for with this amendment but find some other way to do this.

Mrs. CHENOWETH. Mr. Chairman, reclaiming my time, I yield to the gentleman from Wisconsin (Mr. NEUMANN).

Mr. NEUMANN. I would just like to clarify the funding and what exactly happens with this funding, to the best of my understanding. This is currently an appropriated amount of money, which means it is under the 302(b) allocation. If we were to move it back into mandatory and we were to authorize the spending under the mandatory portion of the budget, we would have a pay-go problem. Because pay-go says if you are going to start a new mandatory spending program, you either have to raise taxes or decrease a mandatory spending program elsewhere.

My only intent here is to make sure that we understand what the funding implications are. Certainly if they had been spending this money in the mandatory portion of this program, the program should have been authorized and they had no business spending it before.

Mr. COBURN. Mr. Chairman, will the gentlewoman yield?

Mrs. CHENOWETH. I yield to the gentleman from Oklahoma.

Mr. COBURN. First of all, they are already spending this money, so it is offset. It is already being spent.

Mr. NEUMANN. In the 302(b).

Mr. COBURN. Yes. Under mandatory spending. It is already being spent. The money is being spent. Otherwise, we would not have had the administration in the last year.

I would just ask to make one additional point. Given all that technically, we have not met our commitments to our veterans. There is no need for a 50 percent increase in the funding

on this bill, and we need to move it to the veterans. If there is a problem with that, then we need to prioritize somewhere else so that we meet what we need to do for our veterans.

Mrs. CHENOWETH. Reclaiming my time, I thank the gentleman for his explanation.

My concern is, is just keeping promises. The fact is, we have over $4 billion in new spending on HUD and EPA and CEQ, but we are not expending one new, thin dime in veterans' health care. The fact is that there will be about 3,413,000 new veteran claimants this year. The fact is that World War II veterans are now old, they are aged, they are infirm, they are frightened, they feel alone, and now we are not keeping our promise because we have only set aside about $5,000 per year for each one of those veterans. That is not enough. They were willing to give their last full measure on the battlefield for us, and they won for us. We made a deal with them, and I think we better keep it.

Theodore Roosevelt, our President, said that a man who is good enough to shed his blood for his country is good enough to expect a square deal will be given to him when he gets home.

□ 1500

Mr. Chairman, I feel very strongly about that, and I believe that every veteran in this great Nation recognizes the need that he must fulfill in fighting for his country, and now we need to recognize the need of our veterans.

My parents, I lost both of them recently, and even with old age people do feel alone and frightened, and can we do that to our veterans now, those men who fought with able, fit, young bodies and went overseas and fought the good fight for us so that we would be able to stand here and be able to speak freely?

Mr. TAYLOR of Mississippi. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise to commend the gentleman from Oklahoma (Mr. COBURN) for his efforts to encourage others to vote with him. The gentleman from Wisconsin (Mr. OBEY) and the gentleman from California (Mr. LEWIS) are probably right when they say the way he goes about it is flawed. Guess what? We do lots of flawed things around here. We start off every day by waiving the rules that govern this body, every single day, Mr. Chairman, and say we got these rules, but they do not count; let us throw them out. The question is if we are going to do that for everything else, how about just once doing it for the folks who deserve it the most?

There is really only one group of Americans who were promised health care, and that is our veterans. Medicare and Medicaid did not come along until the glory years of America in the 1960s when we had more money than sense. We now spend about $260 billion a year on Medicare and Medicaid. We spend about 40 on veterans. Those folks got it just because they exist. Now, veterans earned it.

So even if what the gentleman is doing is flawed, that is why we have a conference committee to make it fit within the rules.

As my colleagues know, we are talking, some people here in this body, not me, are talking about giving back a hundred billion dollars in tax breaks. But doggone, if we can find the money to give their wealthy contributors a tax break, how about us finding the money to help those people who are now too old to help themselves, who go to the veterans hospital because they are short on cash, who go there because it gives them the chance to relive the greatest days of their lives, the most horrible and the greatest days of their lives all at once?

And if my colleagues ever want a reason to do this, I would encourage them to read a one-page article in Newsweek 2 weeks ago, written by Stephen Ambrose, called ''The Kids Who Saved the World.'' They did not question; they did it for 50 bucks a month. It was not for the benefits, it was not for free health care. They did it because it was the right thing to do.

We have a chance to do the right thing. We can find a million technical reasons why we should not help our veterans. But, my colleagues, know what? People in this country were not promised cheap home loans. People in this country were not promised free medical care if they served their country. Let us keep the promise that we made and then worry about those other things that are nice if we can afford them.

Mr. CUNNINGHAM. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I was not going to speak on this until I heard the debate, and I have the greatest respect for the ranking minority member, the gentleman from Ohio (Mr. STOKES), and my colleague from California (Mr. LEWIS). But I tell my colleagues this is about priorities and it is about promises.

The priority: If I was going to vote for health care for veterans or housing, I have no question where my priority lies. It is health care for our veterans.

Our Capitol Police, in the news right now; if I was going to support either their health care or the housing, I would choose their health care for themselves and their families.

I was the original offeror of subvention, not myself, but the veterans in San Diego, California, and it is a Band-Aid. TriCare is a Band-Aid for the promises that we made. The original bill of the gentleman from Oklahoma (Mr. WATTS) and myself gave full funding to FEHBP. One can take a trash collector at a military base for the Pentagon, or a secretary, and they get the benefits of FEHBP. But someone who has gone over and fought our wars or their families, they do not get it. And that is the real answer that we need to do and take a look for our veterans, and take a look at it, and this is a very divisive issue, and it should not be.

But I read the article by Mr. Ambrose, ''Kids Who Saved the World.'' I would recommend it. It is one of the best articles that one could read. And I would say to my friends that our active duty forces today, we are only retaining 24 percent of them because our operation tempo is 300 percent above what it was during the Cold War or Vietnam.

We are killing our military. It is in the worst shape I have ever seen it. These people are going to become veterans, and we are going to deny them health care? I do not think so.

I rise in strong support of the gentleman's amendment, and I ask for its passage.

Mr. BENTSEN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in opposition to this amendment. With all due respect to my colleagues, this is not necessarily about the choice between housing for the American people and veterans, and if we were going to use that as a yardstick, we could go back to when we passed the highway bill, and I did not hear a lot of my colleagues or did not see a lot of my colleagues voting against the highway bill.

Mr. COBURN. Mr. Chairman, will the gentleman yield?

Mr. BENTSEN. I yield to the gentleman from Oklahoma.

Mr. COBURN. Mr. Chairman, the author of this amendment was in vocal opposition to the highway bill.

Mr. BENTSEN. Mr. Chairman, I appreciate that, but nonetheless we have heard a number of colleagues say we have to deal with priorities here. Well, we seem to lose those priorities when it came down to concrete and cement and all that we were going to do.

Now there are issues related to the highway bill, budget and things like that. But here is the problem as I see it with this particular amendment: I appreciate what the gentleman from Oklahoma is trying to achieve with respect to veterans health care. However I am afraid that his amendment unintentionally, I believe, would tamper with what is otherwise a very successful Federal housing program and put the government at greater risk and, thus, the taxpayers at greater risk of default.

Now it is my understanding that the reason why the discretionary appropriation is in here is part of FHA's responsibility to meet the Fair Credit Reform Act of, I think, 1990 which requires all government credit-type agencies, including FHA where we guarantee mortgage loans that are outstanding, that we have adequate reserves and adequate servicing and management of those portfolios. To not allow the FHA by taking away their funds to adequately manage the single

family mortgage portfolio that they have would ultimately put at risk the triple-A-triple-A credit standard of that portfolio. So in the long run, it would affect the borrowing cost of the American people who are eligible for the FHA loans, and I am not sure that any Member wants to be involved with raising the borrowing cost in that regard.

Second of all, it very well could affect the portfolio quality if we do not give the FHA the ability to move, foreclose, and liquidate real estate owned. We do not want to have the government owning a lot of property that is not bringing an income and putting at risk the credit portfolio, and that also would affect the credit quality but ultimately could affect the taxpayers where we might have to put out more money to address shortfalls in the portfolio.

So while I applaud the gentleman for trying to reach out to the veterans and give them more funding, this amendment is the wrong way to go because we are going to potentially mess up what is otherwise a well-run program that meets its obligations and thus has achieved the credit rating that lowers the interest cost to the people who can benefit in it.

So I would urge my colleagues, as one who came to this House from working in the mortgage industry, and I have looked at a lot of FHA credits over time, I do not think we want to tamper with a good thing, and this amendment tampers with a good thing, and I would urge my colleagues to oppose the amendment.

Mr. LEWIS of California. Mr. Chairman, I ask unanimous consent to strike the requisite number of words.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. LEWIS of California. Mr. Chairman, I will not take the 5 minutes. I have had discussions with my colleagues, the gentleman from Ohio (Mr. STOKES) and others on the other side, and with a voice vote it is our intention to accept that amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Oklahoma (Mr. COBURN).

The amendment was agreed to.

AMENDMENT OFFERED BY MR. BERMAN

Mr. BERMAN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BERMAN:

At the end of the bill, insert after the last section (preceding the short title) the following new section:

SEC. 425. None of the funds made available in this Act (including amounts made available for salaries and expenses) may be used by the Director of the Federal Emergency Management Agency to take any action—

(1) to permit Kaiser Permanente to transfer any of the funds made available to the Kaiser Permanente hospital in Panorama City, California, under the Seismic Hazard Mitigation Program for Hospitals (including funds made available before October 1, 1998) to any other facility; or

(2) to permit Kaiser Permanente to use any of the funds described in paragraph (1) to relocate the hospital to a site that is located more than 3 miles from the current site of the hospital.

If, before October 1, 1998, the Director takes an action described in paragraph (1) or (2), the Director shall rescind the action.

Mr. BERMAN (during the reading). Mr. Chairman, I ask unanimous consent the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. BERMAN. Mr. Chairman, my amendment, which I am showing both to the chair and ranking members of this subcommittee, would simply ensure that certain FEMA disaster funds related to the 1994 Northridge earthquake are used in a fair and appropriate manner. After the quake and at the behest of a great deal of effort by the gentleman from California, the chairman of the subcommittee, FEMA created the Seismic Hazard Mitigation Program for hospitals, a program which was intended to rebuild and improve seismic performance of damaged hospitals. FEMA allocated 68 million under this program to the Kaiser Permanente Hospital in Panorama City which provides emergency room services and inpatient care for thousands of families.

Mr. LEWIS of California. Mr. Chairman, will the gentleman yield?

Mr. BERMAN. I yield to the gentleman from California.

Mr. LEWIS of California. My colleagues and I discussed this in some depth, and I think the House, when they read it, will understand it.

I am ready to accept the amendment if my colleague from Cleveland is so inclined.

Mr. STOKES. Mr. Chairman, will the gentleman yield?

Mr. BERMAN. I yield to the gentleman from Ohio.

Mr. STOKES. We also are agreeable to accepting the amendment.

Mr. BERMAN. Mr. Chairman, I thank the gentlemen, and, reclaiming my time, I am ready to accept their acceptance and to stop my talking.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California (Mr. BERMAN).

The amendment was agreed to.

AMENDMENT OFFERED BY MR. NEUMANN

Mr. NEUMANN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. NEUMANN:

At the end of Title IV, insert the following:

SEC. . None of the funds made in this Act may be used for researching methods to reduce methane emissions from cows, sheep or any other ruminant livestock.

Mr. NEUMANN. Mr. Chairman, about a month, month-and-a-half ago, I brought some information to this body regarding an audit of the Federal Government, and we started going through some of the things that were in that audit, and it got to the point where people were laughing about the things, and they would have been funny had they not been true; when we found things like the Navy could not find 21 out of 79 ships they went looking for.

The amendment I bring here today falls into that category.

I would like to see some of our colleagues explain to their constituents back home exactly why it is that we are spending hundreds of thousands of dollars of the taxpayers' money every year to study cow belching and cow gas and those other words for this that would make it even more humorous.

Mr. LEWIS of California. Mr. Chairman, will the gentleman yield?

Mr. NEUMANN. I yield to the gentleman from California.

Mr. LEWIS of California. Mr. Chairman, I am having a bit of difficulty swallowing all of this, and, as a result of that, I read the amendment carefully and I believe my colleague and I are ready to accept the gentleman's amendment.

Mr. STOKES. Mr. Chairman, will the gentleman yield?

Mr. NEUMANN. I yield to the gentleman from Ohio.

Mr. STOKES. Mr. Chairman, I am having difficulty swallowing it, too, but I also agree to accept it.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Wisconsin (Mr. NEUMANN).

The amendment was agreed to.

☐ 1515

AMENDMENT NO. 22 OFFERED BY MR. HINCHEY.

Mr. HINCHEY. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 22 offered by Mr. HINCHEY:

At the end of the bill, insert after the last section (preceding the short title) the following new section:

SEC. 425. None of the funds made available in this Act may be used by the Department of Veterans Affairs to implement or administer the Veterans Equitable Resource Allocation system.

Mr. HINCHEY. Mr. Chairman, the Veterans' Equitable Resource Allocation system, known as VERA, may have started out with good intentions. The purpose was to shift funds in accord with shifts in veterans' populations, and more specifically, with veterans' needs.

If there are more veterans needing health care services in Florida today than there were 20 years ago, and we know that that is true, then Florida should be getting a larger share of the VA health budget than it received previously. That is common sense, and I have no argument with that principle.

But I do have an argument with the actual plan for reallocation, the VERA plan, and with its consequences. Many of us were very disturbed in January of 1997 when the VA first gave us figures about how much would be cut from its health care spending in our regions to fit the VERA plan.

We had been hearing from our veterans that the quality of care was not what it ought to be in many places, and we were concerned that these new cuts would hurt our veterans even more.

The VA assured us that quality of care would not decline. Most of the reductions had already taken place, we were told. Any further reduction would be covered by improvements and efficiency.

Every time we raised a question about the VERA model, for example, did it take into account higher costs in our region, did it take into account the fact that our facilities are old and in need of repair or replacement, each time we were assured that it did and the model was perfect. It was not.

The decline in patient care at one of the hospitals that serves veterans in my area was swift and dramatic. Myself and my colleagues in the area asked for a review by the Inspector General at the Veterans Administration, and the report was horrifying. It documented sharp increases in deficient care, understaffing, and important professional categories, poor maintenance of facilities.

It found, in fact, that there was a 50 percent increase in the rate of patients who died, who had received poor or marginal care in the 6 months after VERA formally took effect, a 50 percent increase in mortality rates. Some veterans told me they wept when they read the report.

It was undeniable that these problems were attributable to the VERA cuts. To mention just one example, professional staff were offered buyouts to get the budget into line with the VERA requirements. But no one had planned how to replace them or to reassign those who stayed.

In February, we were given more bad news. What we were told about the VERA cuts had not been accurate. We were going to have to absorb another $120 million in cuts over the next 2 years. How are we going to do that, we asked, when we have just documented the problems in our region? We have not received an answer to how that is going to be done.

I have just learned that the Veterans Administration is planning another round of cuts under VERA that will affect 11 regions. The regions facing cuts are these, Boston headquarters serving Maine, New Hampshire, Vermont, Rhode Island, and Massachusetts. They will receive $38.8 million in cuts. The Albany area, serving upstate New York cut $12 million. The New York City metropolitan area, serving lower New York and Newark, New Jersey cut $48 million. Pittsburgh, serving Pennsylvania, Delaware, part of West Virginia cut $3 million. Durham, serving North Carolina, part of West Virginia and Virginia cut $1 million. Nashville, serving Tennessee, part of West Virginia and Kentucky cut $12 million. Chicago, serving part of Illinois, Michigan, and Wisconsin cut $28 million. Kansas City, serving Kansas, Missouri, part of Illinois cut $20 million. Dallas, serving Texas, except for Houston, cut $10.5 million. Denver, serving Colorado, Wyoming, Utah, and Montana cut $13 million. And Long Beach, serving California and Nevada cut $23 million.

The message of my amendment is simple. VERA is not equitable. It has failed. It may not have failed veterans all over the country yet, but it has clearly failed veterans in many regions and will be failing more instantly.

My amendment would cut off funding for implementation of VERA. It would force the VA to go back to the drawing boards and develop a system that really would treat all veterans equitably.

The CHAIRMAN. The time of the gentleman from New York (Mr. HINCHEY) has expired.

(By unanimous consent, Mr. HINCHEY was allowed to proceed for 1 additional minute.)

Mr. HINCHEY. Mr. Chairman, right now our veterans are being damaged by a faulty computer model. We would like to free them from the computer model and see a system based on the realities.

There will be some people who may come to the floor opposing this amendment. They may say that the system is working. They may say that it is helping veterans in some parts of the country. That may be true, but, increasingly, it is hurting more and more veterans, not just in metropolitan areas but all across the country. From coast to coast, veterans are being affected negatively by these cuts.

I ask my colleagues to join me in adopting this amendment so that we can get a sensible approach to the need to finance the health care needs for veterans all across the country.

Mr. BILIRAKIS. Mr. Chairman, I rise to speak in opposition of the amendment.

Mr. Chairman, as I said, I do rise in strong opposition to the amendment which would prohibit the use of VA funds to further implement the Veterans' Equitable, and I emphasize that word equitable, Resource Allocation system.

VERA, as it is called, corrects historic geographic imbalances in funding for VA health care services and ensures equitable access to care for all veterans. Long ago, our Nation made a commitment to care for the brave men and women who fought the battles to keep America free. These are our Nation's veterans. Please take note when I say ''our Nation's veterans.'' They are not Florida's veterans or Arizona's veterans or New York's veterans. They are our veterans, and we, as a Nation, have a collective responsibility to honor the commitment that we made to them.

When they volunteered to fight for America's freedom, no one asked these veterans what part of the country they came from. It simply did not matter. Unfortunately, when they came home, veterans found out that where they live matters a great deal. Until the passage of VERA, a veteran's ability to access the VA health care system literally depended upon where he or she happened to live.

Since coming to Congress, I have heard from many, many veterans who were denied care at Florida VA medical facilities. In many instances, these veterans have been receiving care at their local VA medical center. However, once they moved to Florida, the VA was forced to turn them away because the facilities in our State simply did not have the resources to meet the high demand for care.

This lack of adequate resources, Mr. Chairman, is further compounded in the winter months when Florida veterans are literally crowded out of the system by individuals who travel south to enjoy our warm water.

It is hard for my veterans to understand how they can lose their VA health care simply by moving to another part of the country or because a veteran from a different state is using our VA facilities.

Congress enacted VERA for a very simple reason: equity. No matter where they live or what circumstances they face, all veterans deserve to have equal access to quality health care.

Since VERA's implementation, the Florida Veterans' Integrated Services Network, VISN, which includes Puerto Rico, I might add, has treated approximately 35,000 more Category A veterans. These are service-connected and low-income veterans who would not have had access to VA medical care without VERA.

The Florida and Puerto Rico network estimates it will treat a total of 280,000 veterans by the end fiscal year of 1998. The Florida network has also opened nine new community based outpatient clinics in the past 2 years. It plans to open three more clinics by the end of the fiscal year. None of this could have happened without VERA.

The failure to move forward with an improved and fair funding allocation system would mean that the VA would miss a unique opportunity to revitalize its way of doing business. The negative impact would be felt most by veterans who would not be treated in areas that are currently underfunded.

Failing to implement VERA will waste taxpayers' dollars because a return to the funding practices of the past will mean that some VA facilities will receive more money per veteran than others to provide essentially the same care.

The author of this amendment argues that veterans of New York are not being treated equitably. The VERA system already takes regional differences into account by making adjustments for labor costs, differences in patient mix, and differing levels of support for research and education.

Under VERA, the VA facilities in the metropolitan New York area are receiving an average of $5,659 per veteran patient. This means that these facilities receive an average payment for

each patient that is 27 percent higher than the national average.

I ask, how is this inequitable? If the Hinchey amendment passes, continued funding imbalances will result in unequal access to VA health care for veterans in different parts of the country.

VERA ensures that veterans across the country have equal access to VA health care and that tax dollars are wisely spent. I urge my colleagues to vote against the Hinchey amendment.

Mrs. LOWEY. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in strong support of the Hinchey amendment to prohibit funding for the Department of Veterans Affairs misguided VERA plan.

The VERA plan will take scarce resources away from the veterans in my district and other areas of the northeast based on flawed data about veteran populations around the country. The veterans who use the VA health care system in New York deserve better than the VERA plan gives them.

Each year, about 150,000 veterans use the eight VA facilities in the New York metropolitan region. These veterans have come to rely on the excellent services provided by these facilities but the cuts in these services called for in the VERA plan will be disastrous.

Since the implementation of VERA began, I have received reports from many veterans in my district of diminished quality of care at the VA medical centers. In fact, the VA's Office of the Medical Inspector investigated the Hudson Valley VA hospitals and found more than 150 violations of health and safety rules at those hospitals alone. It is not a coincidence that these violations came at a time when these hospitals were trying to cut costs to comply with VERA, and the situation is about to get worse.

When I joined some of my colleagues in a meeting with VA officials about VERA implementation several months ago, the reports from the VA were alarming. Under Secretary for Health Kenneth Kizer told us that under the current budget the VA will hit a brick wall in its ability to provide services to the veterans community in my region, and James Farsetta, the director of Network 3, which serves my constituents, said his network would, quote, be in trouble soon under the current VERA plan.

Mr. Chairman, I understand the need to provide services to growing veterans populations in other regions of the country but that must not be done on the backs of New York's veterans.

A recent assessment of the VERA plan by Price Waterhouse highlighted a major flaw in the fundamental assumptions of the plan. The report stated that, quote, basing resource allocation on patient volume is only an interim solution because patient volume indicates which veterans the VHA, Veterans Health Administration, is serving; not which veterans have the highest health care needs. This is especially relevant to the New York region, which has the highest proportion of specialty care veterans in the country.

Mr. Chairman, we cannot turn our backs on New York's proud veterans, but that is exactly what will happen if we allow the VERA plan to go forward. I urge my colleagues to protect our veterans by supporting the Hinchey amendment.

Mr. NETHERCUTT. Mr. Chairman, I move to strike the requisite of number words.

Mr. Chairman, I rise very strongly in opposition to this amendment, and I think that my colleagues need to understand really what it does and what this amendment seeks to do as it relates to veterans health care.

The VERA system was mandated by legislation passed into law in the 104th Congress. It is strongly supported by the Veterans Administration. In the second half of fiscal year 1997, the VA began implementing the VERA system, the Veteran Equitable Resource Allocation system.

This allocates health care resources according to the numbers of veterans served in each veteran's integrated service network, VISN, in the country. Historically, funding for the VA flowed into hospitals in the east where veterans were originally concentrated. Each year, this funding was increased, even as veterans began to migrate away from these regions. Over time, a serious mismatch developed between numbers of veterans needing care and the number that the system was capable of serving.

□ 1530

VERA corrects this divergence of linking funding within each visit to the actual population served.

What is happening now, Mr. Chairman, is that veterans are moving south and they are moving west, but yet those who support this amendment want to keep the money that supports those veterans in the areas from which veterans are leaving and not give the resources to the areas to which the veteran population is going.

The gentleman from New York (Mr. HINCHEY), in support of his argument, has argued that the current allocation is not equitable for the Northeast; but, simply stated, this VERA formula is straightforward. It does not allow the inequities that existed in the old system. It is an equitable system. The system matches workloads with annual allocations. It takes into account numbers of basic and special care veterans, national price and wage differences in education and equipment differences.

Now, it may well be that VISN number 3 is having difficulty adopting to the VERA system, but that is because the most inefficient network is VISN 3, it is most inefficient in the country. So the VERA system does not reward inefficiency, it forces networks to develop a resource plan that makes the most of limited funds.

If we look at the historic resource consumption per patient, a standard industry measure of efficiency, it reveals that while my VISN in Portland, Oregon, which serves the West, was more than 20 percent more efficient than the system as a whole, Chicago and the Bronx were 20 percent more inefficient than the system as a whole.

The VA has, I would tell my friend, $50 million in reserve that it sets aside to address the quality of care issues associated with VERA implementation. If, in fact, the Secretary feels that the quality is being impacted, he can use this $50 million reserve to assist VISN 3 without eliminating the entire VERA system.

The VA does not know what would happen to veterans' funding if the Hinchey amendment was adopted. There is no fall-back option if the VERA system is eliminated, and that should be very much of concern to all of us who have veterans in our district, and especially those districts that are increasing in their veteran population.

The most likely option we would have would be to revert to the formula that created this massive funding shortfall in VISNs across most of the country and return then more money to the Northeast. That is not equitable to veterans. It is not equitable to veterans of the West and the South, where all the veterans seem to be moving.

If we reverted to fiscal year 1996 allocations, my VISN in Portland, Oregon, would lose $80 million. Dallas, Texas, would lose the same amount. Jackson, Georgia, would lose $120 million. Bay Pines, Florida, would lose $110 million. San Francisco, California, would lose about $50 million. And Long Beach, California, would lose some $40 million.

How about those veterans? They have needs and priorities as well, and they would be then underserved.

On the local level, what would these massive cuts mean for rural VA hospitals in the West and the South? It would mean that the uniform benefits that the VA is striving to provide would be unavailable. My local hospital in Spokane, Washington, has told me that they would have to eliminate all of the subspecialty care that they have recently subcontracted for with the new VERA dollars. So they would lose specialists in the fields of cardiology, enterology, neurology and ophthalmology.

The bottom line is VERA is equitable. Until last year, small VA hospitals across most of the country did not have the funds available to provide this care on site. The Hinchey amendment would end this specialty care. I urge that we vote against the Hinchey amendment.

Mr. FRELINGHUYSEN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise today in support of the gentleman of New York's amendment to suspend the Department of Veterans Affairs Equitable Resources Allocation program, or VERA. As the gentleman may know, the gentlewoman from New York (Mrs. KELLY)

and I tried to do the same thing last year. Unfortunately, our efforts were thwarted by the Senate. We settled instead for a General Accounting Office study on the effects of VERA implementation on VISN 3, which covers parts of New York and New Jersey. This report is still not completed.

Simply put, it is my feeling that VERA is bad public policy. The program shifts money away from areas with existing elderly veteran populations and into areas with developing veteran populations. In the end, this program has done nothing more than pit veterans in one region of the country against veterans in other regions.

Let me tell my colleagues what VERA has meant for the veterans in my district in New Jersey. VERA has meant that security stations in the psychiatric ward at Lyons VA Medical Center are often empty or unmanned. VERA has meant less doctors and less nurses working more overtime to care for patients at Lyons and East Orange Medical Centers. Furthermore, I understand that the FBI and the VA's Inspector General are currently investigating alleged rapes and other alleged mistreatments or abuses of patients.

And the worst example of VERA's impact on my district happened last month. A Korean War veteran at Lyons VA Medical Center left his room, unobserved by staff because they are understaffed, and his body was found not until 2 days later, just yards away from the very building where he lived. Why did it take so long? From what I have been told, there was no money to pay the Medical Center's police overtime to search for him. Local authorities evidently were not contacted.

Unfortunately, my district is not alone. The gentlewoman from New York (Mrs. KELLY), who also represents VA medical centers, and others in this room as well have had similar experiences. At Castle Point Medical Center, a pressure ulcer patient in the long-term care unit had maggots living in his wound. A VA Inspector General's report found a large number of flies in his care unit.

The VERA program was implemented by the VA with minimal guidance by Congress. The proposal of the gentleman from New York (Mr. HINCHEY) to suspend the implementation is on target, because it will give Congress time to evaluate the program's consequences on the quality of health care for all within the system. It is our duty and our responsibility to fully explore the impact of VERA on veterans medical care.

Congress needs to exercise more oversight over the VA and VERA to prevent other egregious actions. For example, the leadership in VISN 3 in our area which covers my district returned $20 million to Washington, to the VA last year. Yet patient needs continue to be unmet and patient care suffers.

VERA is not the answer to the VA's funding problems. All VERA has done since it was implemented was to create regional battles for diminishing funds. When our Nation was at war, our veterans answered the call and placed their lives on the line to defend ours. They deserve better than a managed care system which often elevates cost savings over quality care.

Mr. Chairman, I support the Hinchey amendment and urge my colleagues to do the same.

Mrs. MEEK of Florida. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I stand to strongly oppose the Hinchey amendment. First of all, it would bar the VA from funding a system which they already have to distribute medical care equitably. The word equity is important in VERA. It is not so much where one lives demographically but this equitable distribution.

So then I want to ask the gentleman from New York (Mr. HINCHEY) and some of the people from the other areas, this has happened for the past two sessions that I have been here. The gentleman is saying that there is no equity in VERA, but what he does not tell us is that VA facilities in the metropolitan New York area, that is VISN 3, they receive an average payment for each VA patient which is 27 percent higher, 27 percent higher, than the national average. Other New York facilities and VISN 2 receive an average payment for each VA patient which is 7 percent higher than the national average.

Mr. Chairman, 90 percent of Mr. HINCHEY's district is in VISN 2, so we can see that there is some discrepancy there in terms of the equitable treatment of veterans in these areas.

The VERA system, Mr. Chairman, does make regional differences. It takes them into account by making adjustments for labor calls, differences in patient mix, and different levels of support for research and education. And VISN 3 that is in the Bronx, VA medical facilities receives an average of $5,659 per veteran patient. The national average is just $4,465 per patient. VISN 8 that is in Florida, VA facilities receive $4,076.

Now, let us face it, Congress. The veterans want to move south, the veterans want to move out west, and they bring their illnesses and their disabilities to these areas. Does that mean that we go out and recruit them like we recruit football players? No, we do not do that. They come to these areas.

And we keep saying that the medical inspector of the VA conducted a 6-month study. Well, he did, or they did, but it refuted much of the information we hear here today. Much of the Hinchey amendment's rationale is flawed when we look at the statistics that are here.

If members of the VA believe that VA medical funding in their hospitals is inadequate, the solution is to increase the funding into the medical account, not to throw out the system for the distribution of these funds. No matter what we say, there is always going to be some disagreement when there is a formula. There is always going to be one side saying that the formula is skewed one way and the other one says the other. But this has been studied, and we have some empirical data which shows that the veterans, the money, I repeat, the money should follow the veterans, not the veterans follow the money.

Now, the people in the Northeast area used to get all of the money; and in the South, we were left out. But now we see that this mix has changed. So now they want us to come back and change the system, and we just changed it I think in 1997. So why go back again?

Since VERA was implemented, VISN 8 has treated 35,000 more category A veterans. Do we know what the category A veterans are? Service-connected, low-income veterans. The Florida network has opened nine new community-based outpatient clinics in the past 2 years. Do my colleagues know why? The people are moving from the North into Florida, and we must deal with it.

VERA has supported increased expenses through the VISN, $3.5 million for prosthetic expenses. Total veterans treated in VISN 8 should reach 28,000 by the end of fiscal year 1998. Florida's veterans population is approximately 1.7 million.

Mr. Chairman, we all realize the VERA issue is a very difficult one. Our veterans population is on the move. They are moving to the southern and western States and away from the States in the Northeast and the Midwest.

This is not something that is new. These demographic changes have been going on for over a decade.

In Florida it has meant overcrowded VA facilities, lots of inadequate equipment, and long waits, because we did not have the personnel we needed to serve the large number of veterans moving to our States. In other parts of the country, it has meant empty beds, unused beds, unneeded beds. So they have had too much bedding in some of these other areas.

To hear proponents of the Hinchey amendment speak, one would think VERA is stealing health care dollars from veterans in other States. That is not right, Congress. The fact of the matter, vets are moving away, as I said. The large budgets in the VA health care facilities are no longer justified. Vote against the Hinchey amendment for fairness.

The VERA issue is a difficult one. Our veterans population is on the move; they are moving to the Southern and Western states and away from the States in the Northeast and the Midwest.

This is not something that is new; these demographic changes have been going on for over a decade. In Florida, it has meant overcrowded VA facilities; lack of adequate equipment; and long waits because we didn't have

the personnel we needed to serve the large number of veterans moving to our state. In other parts of the country, it has means empty beds, unused and unneeded capacity in VA facilities, and more personnel than warranted by the number of vets or their specific treatment needs.

To hear proponents of this amendment speak, you'd think VERA is stealing health care dollars from vets in their states; the fact of the matter is, vets are moving away from their states; the large budgets of their VA health care facilities are no longer justified; and they are complaining because cutbacks are always painful.

While I sympathize with their concerns, we must make sure that VA health care dollars follow the veterans—not the bureaucrats. The fact of the matter is that VERA provides an equitable distribution of VA health care funds, and we should all support it because it is fair—not painless, especially for those who are closing facilities, but fair.

Veterans health care is particularly important to the millions of vets in Florida—not just because we have so many veterans, but because we have so many veterans who are elderly and/or disabled.

From 1980 to 1990 Census Data, 47% of all vets to relocated to another state during the decade moved to Florida

The net gain of vets to Florida in the last decade alone (349,000) was greater than the overall veteran populations of 22 states

Florida also is home to the nation's second largest population of veterans—second only to my Chairman's state, California

Florida is home to the second largest population of veterans with a service-connected disability

Florida has the largest population of veterans with 100% service-connected disabilities, as well as veterans who have 60–90% service-connected disabilities.

I know that the VA has implemented the VERA system (veterans equitable resource allocation) to insure that VA health care resources are directed to where there are the most veterans who need these services.

I urge the members to support VERA by rejecting this most unwise amendment.

Mrs. KELLY. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise today in strong support for the Hinchey amendment. Under the Veterans' Equitable Resource Allocation plan, I have witnessed the effects of a $226 million cut to the lower New York area veterans network.

After a careful study of VERA, I have come to the conclusion that it is flawed. These flaws permeate VERA's methodology, its implementation, and especially the VA's oversight of this new spending plan. It is unfortunate that the VERA plan imposed upon our VA facilities, it is not one to provide proper funding to the VA facilities but one to steal from Peter to pay Paul or to take from some VA facilities to give to others.

A little over 6 months ago the VA released a report of its own Office of the Medical Inspector investigating reports into the reduced quality of care at Castle Point and Montrose Veterans Hospitals in my district in the New York Hudson Valley. The findings of the Office of Medical Inspector are startling and uncover a problem that we were only partly aware of.

The Medical Inspector found 158 violations of health and safety and VA codes. The most startling finding was that there was a 25 percent increase in poor to marginal care that was given at the VA hospitals in 1997 in my district.

□ 1545

Let me point out that the report made continuing references to findings such as, and I quote, ''pieces of antiquated medical equipment, including those used by or on patients who were identified in the ICU.''

The report also stated that its ''Team members had observed dust, fecal stains, and urine stains on patient care unit floors. Team members noted floors, walls, and ceilings with cobwebs, windowsills covered with dirt and dust, peeling paint, broken floor tiles, crumbling cement,'' et cetera.

This prompted one of the most important conclusions of the report, again, which I quote: ''There is a great need for overall upgrading of both facilities.''

The VA inspectors also stated that they, and I again quote, ''believe that (the network) and Castle Point and Montrose leadership and management may have accelerated the pace of the integration to become more efficient in anticipation of VERA.'' In short, we were feeling the negative effects of VERA long before it was ever implemented.

When VERA is supposed to promote more efficient and effective delivery of care, I am seeing the exact opposite occur at veterans' hospitals in my area. The staff there is caring and wonderfully committed, but the VA is not supporting them.

I beseech my colleagues on both sides of the aisle to support the Hinchey amendment and to make the necessary investment into veterans' hospitals for all necessary upgrading needed in order to keep their promise of care for our veterans. The veterans of this Nation gave their best for us, and now we must do our best for them.

Mr. LEWIS of California. Mr. Chairman, will the gentlewoman yield?

Mrs. KELLY. I yield to the gentleman from California.

Mr. LEWIS of California. Mr. Chairman, I simply rise and suggest to the gentlewoman that I very much appreciate her position. Positions not entirely the same as hers are going to be expressed across the floor, I can tell, in proportionate numbers to the Members who serve in various areas of the country.

May I suggest recognizing the value of revising and extending.

Ms. BROWN of Florida. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, as a Member of the Committee on Veterans' Affairs, I know that VERA was developed as a way for the VA to be more efficient in providing health care for our veterans. VERA is not simply taking money from one region to another, it is a well-thought-out system, supported by our own General Accounting Office and the VA Under Secretary for Health. It recognizes that health care costs vary from region to region, and it also accounts for veterans who move to warmer climates and therefore are using Sunbelt facilities more.

In my State of Florida, the demand for veterans' health care continues to rise. Many constituents in the States of my colleagues who oppose this system have moved to Florida and very much want this system to stay in place. I support VERA, veterans' service organizations support VERA, the GAO supports VERA, the VA supports VERA. I urge my colleagues to support VERA. If there is a problem with one hospital, if there is a problem with the system, it is better to address them, than to eliminate a program that will affect veterans across the entire country.

I urge my colleagues to support our veterans and not vote for any amendment to strike VERA.

Mr. GILMAN. Mr. Chairman, I move to strike the requisite number of words.

(Mr. GILMAN asked and was given permission to revise and extend his remarks.)

Mr. GILMAN. Mr. Chairman, I am pleased to rise in strong support of the amendment being offered by my colleague, the gentleman from New York (Mr. HINCHEY), to the VA, HUD appropriation act for fiscal year 1999. I join him in expressing strong concern for the future of VA health care, and I agree that VERA is not the proper model to use in determining future funding allocations.

While VERA was a noble effort, it has been unfairly biased against older veterans in major metropolitan areas. These older veterans are those most in need of inpatient comprehensive health care, and they have been the ones most adversely affected and impacted by VERA.

In fact, Mr. Chairman, widespread evidence of deteriorating quality of care in New York veterans' hospitals last year is proof enough that VERA has hurt too many of our veterans. The primary reasons for this is that VERA advocates a zero sum game. For veterans in the South and West who gain health care funds, veterans in another region have to lose some funding. This is being done in an environment where veterans' funding is theoretically frozen for the next 5 years.

Even with the modest increases suggested by the Committee on Veterans' Affairs, those VISNs in the Northeast will still lose a great deal of money to both VERA and annual medical inflation costs. Thus, health care for our veterans in the Northeast are going to take a double hit every year.

In VISN Network 3, the reported plans for the new VERA cuts in fiscal year 2000 will result in a $48 million cut in lower New York State. The problems with VERA are twofold.

First, since the VA means test is a national figure, there will be more category A veterans in the South and West, which have lower costs of living, than in the Northeast. This results in an inaccurate measure of demand for services between VISNs.

Secondly, VERA fails to differentiate between the types of care delivered at VA facilities. VA hospitals in the Northeast have more specialized care patients, including spinal cord injuries, mental health, AIDS, and geriatric care cases. These cases cost more than their outpatient counterparts, which are more plentiful in the South and West.

Furthermore, despite the well-publicized concerns of my colleagues, there exists no crisis for VA health care in the Sunbelt. In response to an inquiry we made on this subject last year, the GAO informed us that there was no empirical evidence that any veteran in the South or West has been denied care due to inadequate funding.

While it is true that many veterans have in the past migrated to the Sunbelt, let us note that these are predominantly well-off individuals who use private facilities or Medicare over VA facilities.

The GAO will also soon be releasing a final report on the impact of VERA on the quality of care being delivered in those VISNs of the Northeast. From the preliminary evidence I and my Northeast colleagues were made privy to during the course of my investigations, the results will not be encouraging for VERA.

Accordingly, Mr. Chairman, I urge all of our colleagues to vote for this amendment to show their commitment to our veterans, regardless of their geographic residence. The solution for VA health care is to make the pie larger, not to alter the size of the pieces after they have been cut.

Mr. SANDERS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the Hinchey amendment, but I must say that in many ways, this is an embarrassing and unfortunate debate. We should all be a little bit ashamed of ourselves. Veterans are not Vermonters, they are not Floridians, they are not New Yorkers, they are not Californians, they are Americans.

The fact of the matter is that over recent years, this Congress has cut and cut veterans' programs. I do not have to remind the Members here that only a few months ago we took $10 billion from veterans' programs in order to increase funding for the highway program. I think the highway program is important, and a good idea. I supported it. But they did not need another $10 billion on top of $200 billion. Yet, we lost by 5 votes the effort to retrieve that $10 billion.

Last year in the so-called balanced budget agreement we gave huge tax breaks to some of the wealthiest people in this country, and then we cut back, not only on Medicare, but on veterans' programs again. So I happen to agree with those people who say that when men and women put their lives on the line and sign the contract with the United States government, we have a moral obligation to fulfill that contract, and we have not done that. That is the most important issue.

The Northeast should not be fighting with the South. Every veteran in this country deserves quality health care, but that is what has happened, because we have cut back when we should not have cut back. This is a wealthy Nation. This is a Nation that has given huge tax breaks to those people who do not need it, and then we say, gee, we do not have enough money for veterans' programs.

In respect to the Hinchey amendment, I strongly support it, having said that. I think that the formulation in VERA is not fair to various regions of this country, and that we should support the Hinchey amendment and make what exists a little bit better. But the bottom line is we should support all of our veterans. We should increase funding for veterans' programs, and we have the resources to do that, if we get our priorities straight.

Mr. EVERETT. Mr. Chairman, I move to strike the requisite number of words.

(Mr. EVERETT asked and was given permission to revise and extend his remarks.)

Mr. EVERETT. Mr. Chairman, as a supporter of fairness for our Nation's veterans, I rise in strong opposition to the Hinchey amendment. It is ironic that this legislation, which the sponsors say will help veterans, will end up destroying many veterans. If the Hinchey amendment is adopted, veterans across the Nation will lose newly-won equitable assets to vital medical care funds afforded to them by law.

In April of 1997, the VA implemented VERA to address medical care funding inequities in VA facilities nationwide. Since its implementation, the findings are, contrary to what we have heard on this floor, for which they say they have documentation, and I would like to see it, as chairman of the Subcommittee on Oversight and Investigations, because nobody has given it to me, but contrary to that report, the well-known accounting firm of Price Waterhouse reviewed VERA and has given it positive marks in its March report. It says that VERA was a well-designed, conceptually sound system marked by simplicity, equity, and fairness.

This positive review was conducted on the heels of another favorable assessment by the General Accounting Office in 1997 which noted that VERA is making resource allocations more equitable than previous funding systems.

Despite the evidence that VERA is working just as it was intended, the sponsor of this amendment, the gentleman from New York (Mr. HINCHEY) claims that his veterans in New York are being shortchanged. Nothing could be further from the truth. VERA is designed to factor in regional costs, such as labor, differences in patient mix, and varying levels of support for research and education.

For example, in New York, the gentleman's district, the average veteran patient receives $5,659. In my district in Alabama, which is part of VISN 7, the average patient just gets $4,300. In reality, New York's VA facilities receive an average payment per patient which is 27 percent higher than the national average.

What disturbs me even more are the charges by some in the New York delegation that somehow VERA's funding allocations have resulted in a deterioration of health care and untimely deaths in several New York VA medical facilities. These are serious charges. I would frankly like to see their proof.

It is my understanding that my colleagues from New York base their facts on a report by the VA's Inspector General as to the deaths at Montrose and Castle Point New York VA hospitals. This very report vindicated VERA in those cases. The VA's IG report even went on to specifically state there was no impact of VERA at Castle Point and Montrose concerning mortality rates. VERA was in fact not tied to any health care quality concerns at these facilities reported by the VA IG.

Further, I understand that the VA's IG report did list over 150 areas of improvement to address the problems of two New York hospitals, but none included VERA, despite what you have heard on the floor today.

As chairman of the VA Subcommittee on Oversight and Investigations, I rely on facts. I must tell the Members, there are no facts to back up the claims that VERA has adversely affected any veteran, any of my veterans or any in New York. Rushing to judgment armed with half facts serves no one's interests, especially our veterans. America's veterans deserve the very best medical care, and VERA is helping deliver it. We need to work that out.

Let me also say, I would suggest that my fellow Members of Congress visit their VA hospitals and pay particular attention to the way their money is spent. I have seen $200,000 spent for gold-plated faucets by a director, of health care money, by a director renovating his house; $26,000 for a fish tank; $100,000 for another fish tank, and by the way, in the area that they say is going to be affected, $20,000 just to keep this fish tank up every year.

Mr. Chairman, I would suggest we all take a close look at how VA spends its money. I am very satisfied with the current help I am getting from the VA on cracking down on this kind of stuff.

□ 1600

Another hospital, 63 percent occupancy. The overtime runs over a million dollars a year consistently. It is absolutely unacceptable. I urge a ''no'' vote on this amendment.

Mr. NADLER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in strong support of the Hinchey amendment.

Let me start out by voicing my agreement with the comments of the gentleman from Vermont (Mr. SANDERS). To a large extent, this debate is taking place in a context that it should not be taking place in, the context of large cuts in veterans services.

This is the richest country in the history of the planet, but we are wasting too much of those resources, too much of government's resources which could be spent on helping veterans and on other worthy purposes, on tax breaks for the richest people in our society.

But within the amount of money we make available for veterans, the intent of VERA was to distribute the VA's resources equitably to take into account population shifts and needs in growing States. We know that and do not object to that. But the actual plan has not worked out that way.

What do we see? We see professional staff shortages due to staff buyouts, buyouts apparently pushed in order to meet VERA quotas. We see a 20 percent cut in the per patient budget. We see an increase from 17 to 25 percent in the number of deceased patients, deceased patients judged to have received marginal or poor care. Inspectors noted that this represented a sharp rise, unquote, in poor care in the period after VERA took effect.

We see decline in maintenance. We see no janitorial services on nights and weekends and other indices of poor services.

The VA has consistently maintained that allocation should be based on its computer model that says that some regions have too high a per patient cost, rather than determining why those costs are higher than average.

Mr. Chairman, if my colleagues believe in equitable treatment for veterans and quality care for all veterans, they will join us in questioning why some regions have suffered so severely since VERA took effect and in supporting the Hinchey amendment and also in increasing the overall budget.

Mr. HINCHEY. Mr. Chairman, will the gentleman yield?

Mr. NADLER. I yield to the gentleman from New York.

Mr. HINCHEY. Mr. Chairman, I thank the gentleman from New York (Mr. NADLER) for yielding me this time.

Mr. Chairman, I would like to point out that some of the remarks that were made a moment ago by the gentleman from Alabama (Mr. EVERETT) are just incorrect. It sounded to me as though they could have been written by the Veterans Administration itself.

The VA and its apologists for VERA would have us believe that VERA is an equitable allocation of resources. The fact of the matter is it is not anything of the kind. And the impact of VERA is not confined to the Northeast. The impact of VERA is spreading all across the country. We have been the guinea pig for this program. The New York metropolitan area, and the Northeast generally, has been the laboratory from whence this Frankenstein monster has originated.

But, Mr. Chairman, it is now sweeping across the country and it is going to impinge upon every single veterans hospital, with the exception of a few in a few States. Florida might not be affected, that is correct. It may not be that Arizona will be affected. There will be two or three States, perhaps, that are not affected.

But as I indicated in the my opening remarks, whether veterans are served out of the Boston headquarters or the Pittsburgh headquarters or the Durham, North Carolina, headquarters or Nashville or Chicago or Kansas City or Dallas or Denver or Long Beach or others, they are being impacted and they will be impacted more severely as time goes on.

There is nothing equitable about this distribution. It is grossly inequitable. It is horribly unfair. Contrary to what was said a few moments ago from that podium right there, we have in New York seen a 50 percent increase in mortality rates as a result of VERA.

Do my colleagues want to visit that upon their veterans in their part of the country? Do they want to see the veterans that are served out of their VA headquarters suffer the same kind of iniquities and inequities that we have seen in the Northeast? I do not think so. I do not think so at all.

Mr. Chairman, this amendment is essential. If we do not pass this amendment today, if it does not become part of this bill this year, I promise we will be back here again shortly and the number of people speaking in favor of reforming VERA and against what VERA has done will have increased by multitudes on the floor of this House.

Please, let us not have any deaths in my colleagues' regions before that happens. Let us not have veterans in their part of the country suffering the way my veterans have before that happens.

I ask my colleagues to take a precautionary move here. Mr. Chairman, I urge my colleagues to do what is right for the veterans in their areas before this suffering is visited upon them. Support this amendment.

Mr. STEARNS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I would just like to say a few things to my colleagues.

The gentleman from Arizona (Mr. STUMP), chairman of the Committee on Veterans' Affairs, is opposed to the Hinchey amendment, as well as myself, I am chairman of the Subcommittee on Health, and the gentleman from Alabama (Mr. EVERETT), who is chairman of the Subcommittee on Oversight and Investigations.

The basic reason is this would actually destroy the allocation system. The gentleman from New York (Mr. HINCHEY) knows that we beat this same amendment handily before. And to bring it up again and to try to pit the Northeast against the Southeast is not the way to solve the problem. Throwing more money at any problem is not going to solve it. I think the supporters of this amendment would be better suited and wiser to establish reforms and change and innovations instead of asking to throw more money at problems.

Every time they want to come back, they should also realize that the President's budget fell short of the recommendations made by both the House Committee on Veterans' Affairs and the Senate Committee on Veterans' Affairs. The figures that the gentleman from New York is using here in this debate are based upon the President's fiscal year 1999 budget, and those numbers are preliminary. And so the numbers that the gentleman is using are really not the accurate numbers, and I submit that to the gentleman in all deference.

Unfortunately, not all the veterans live in the Northeast. I respect the gentleman's position and the fact that he wants more money. But I also submit that the States in the Southeast have long been without money and so now they are asking for their fair share, because the veterans are moving in. In fact, there is a crisis in the Sunbelt. I think one of my colleagues on that side said there is not a crisis. We need more money, too.

In the end, all of us are going to have to come up with innovative ways to serve veterans and we will have to continue to fund them adequately. I think this bill does, out of admiration and deference to the gentleman from California (Chairman LEWIS). The gentleman has made a hard effort here. I urge all Members to support the gentleman from California (Chairman LEWIS) and support the gentleman from Arizona (Chairman STUMP) and vote against the Hinchey amendment.

Mr. Chairman, I rise to oppose the Hinchey amendment. He is absolutely correct that VERA was designed to ensure that the dollars follow the veterans.

Perhaps Rep. HINCHEY should consider that the President's budget falls far short of the recommendations made by both the House and Senate appropriators. The figures used by Mr. HINCHEY are based upon the President's FY 99 budget for VA and those numbers are preliminary. They are not our numbers—we intend to increase funding for VA and that, in turn, will ensure that the dollars will be disbursed as VERA intended—to our nation's veterans.

Last Congress, we passed the Veterans Equitable Resource Allocation or VERA system to fix a gross funding inequity.

Prior to the passage of VERA, Veterans health funds were allocated based solely on the historical usage of VA facilities, and then were simply adjusted upward each year for inflation. As a result of this system, Veterans

funding was concentrated in the densely populated Northeast.

Unfortunately, not all of our country's Veterans live in the Northeast. In fact, most now live in the previously grossly underfunded South and West.

VERA goes a long way toward fixing this inequity. Under the VERA system, workloads are matched directly with annual allocations. Furthermore, the number of special care veterans, national price and wage differences, and education and equipment differences are taken into account for funding considerations.

In other words, VERA eliminates the arcane political mechanism that forced funding into the urban Northeast, replacing it with a funding mechanism that takes reason and common sense into account to determine adequate funding amounts.

I urge my colleagues to look at the language of this amendment. It would prohibit the use of VA funding to implement VERA.

My point is, this amendment would change current law. And in doing so, would undue what VERA guarantees—that all American veterans have equal access to care regardless of the region of the country in which they live.

The bottom line is this: VERA became law during the last Congress, not by mistake, but because the funding mechanism was grossly unfair and terribly inadequate.

Put simply, attempts to dismantle the VERA funding system could potentially have an unfair impact on states such as my home state of Florida. As such, Mr. Chairman, in the quest for equality and for fairness for our nation's veterans, I urge my colleagues to oppose the Hinchey amendment.

Mr. ALLEN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I will try to be brief today, but this is an important amendment. I rise in support of the amendment offered by the gentleman from New York (Mr. HINCHEY) to prohibit the VA from using the VERA system for the distribution of funds in the fiscal year 1999.

Veterans in Maine receive their health care from one primary hospital and that is the Togas VA hospital in Augusta. I have heard statements on the floor that the VERA system is working. Maybe in some places it is working, but it is not working in Maine for the veterans of Maine.

In recent years, Togas has experienced an increasing patient load, not a declining load. And at the same time, it suffered from declining budgets and reduced staffing. The result has put a severe strain on the quality and the timeliness of care provided to veterans in Maine.

VISN 1 is the region that includes Togas. VISN 1 has seen its budget cut by over 5 percent, despite the level funding in VA. That must be distributed among the hospitals in that region, and the result is Togas in Maine has an increasing workload but a 3 percent cut in funding from over last year.

Increasing workloads with reduced budgets means longer wait times for health care, increased numbers of veterans sent out of the region to receive care, and a general reduction in staffing and health care quality.

Let me just say a word about what we hear. The gentleman from Maine (Mr. BALDACCI) and I and the two Senators from Maine spend more time on Togas than on any other single issue that we deal with. And it is not because the care is so great that no one is complaining.

Mr. Chairman, we have 100 percent disabled veterans who wait a year and a half for any attention to their dental work. We have veterans who are having a variety of different problems that take too long to provide attention. The staff is upset because they cannot provide the quality of care that they used to provide in the past.

This is having a significant serious adverse impact on veterans in Maine. We need to take a closer look at VERA. The GAO is already reviewing the VA's implementation of VERA and its impact on VA hospitals and veterans. And while we await the GAO report and examine the impact of VERA in more detail, we should delay its implementation.

One final word. Those on the other side who voted for the Republican budget resolution should think about that resolution. It includes flat funding for veterans' health care. If that is the policy of this Congress, we will be back here year after year after year arguing about this allocation among States. It is a mistake. Not only was that a mistake to cut Head Start and to cut Title I, it was a mistake to flat fund veteran's health care. We cannot keep going this way. We have a surplus. We ought to make things right for the veterans in this country.

Mr. ENGLISH of Pennsylvania. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I will keep my remarks brief, but I rise in strong support of the Hinchey amendment. The purpose of the VERA methodology, as I have understood it, is to transform VHA into a fully integrated system of health care delivery that ensures that funding follows veterans. I agree with that overarching goal.

Mr. Chairman, I believe that the VA must take into account population shifts and an increase in the veterans population in certain States. But from my perspective in VISN 4 in Pennsylvania, we cannot force these changes so quickly. We need to take into account the fact that the care that veterans receive at their VA hospital cannot be jeopardized in this process.

The shifting of funds has already caused many veterans hospitals to reevaluate every dollar spent, and this has resulted in staff buyouts and budgetary shortfalls.

With regard to the comments of the gentleman from Alabama (Mr. EVERETT), whom I regard highly, I visit my two veterans hospitals on a regular basis and I have put a human face on this issue. As we debate this issue, I think it is important to remember that these veterans rely on the veterans health care system and they deserve the best quality of care possible.

Mr. Chairman, I can tell my colleagues that in Pennsylvania the reform that the gentleman from Florida (Mr. STEARNS) advocates are being implemented in our hospitals. But we have a rural veterans population. We need to give the hospitals time to bring the veterans into the system so they can justify their dollars. We need to improve utilization, and we need time to allow the veterans hospitals to do that.

To give them that time, I urge my colleagues to vote in favor of this amendment to prohibit the use of VA funds to implement VERA at this time. The fact is, it is not working, and veterans' health care is at risk.

Mr. BALDACCI. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise today in support of the Hinchey amendment. This is an issue that is vital to the health and welfare of veterans in my district and throughout Maine and the Nation.

My concerns, of course, lie with the VERA program, as it is known, the Veterans' Equitable Resource Allocation System, and its effect on the availability, accessibility, and quality of health care offered to veterans.

These concerns should come as no surprise to any Member of this Chamber. Last year's report from the House Subcommittee on VA, HUD, and Independent Agencies appropriations expressed concern about the way the VERA system distributes resources. In particular, the committee recognized that VERA failed to adequately account for the disproportionate number of special needs veterans in the northeastern States.

For that reason, the House voted last year to request a General Accounting Office report on the effects of VERA and its implementation. The committee questioned especially the impact of quality of care for VISNs 1, 2, 3, 12, and 14. This study was expected to be completed in 4 months, but to date no report has been produced, and we are now told not to expect a report until September of this year.

Mr. Chairman, significant questions remain. One in particular was the first year the cut was 2.5 percent. This year's cut is proposed to be 5 percent, a much more significant cut, given the fact that it is all flat funded.

What the VA Togas Hospital in Maine is looking at with a $40 million budget is an $8 million cut. What that means, more importantly, to the veterans in the district I represent, which is the largest physical district northeast of the Mississippi where we are talking about 22 million acres of land, is having those people go from Augusta, Maine, to travel down to Boston, Massachusetts, in order to get an MRI examination, routine X-ray examination, having a van deliver them on a weekly basis so that they get the proper radiation treatment for their cancer.

□ 1615

We are told constantly by hospitals everywhere in major hubs that our

rural people do not need to be there, that they have the protocols for cancer treatment, chemotherapy protocols in any hospital in America and you do not have to leave your family, your home or your community in order to get that, but we require the veterans of Maine on a weekly basis to go to Boston, drive to Boston in a van to get that treatment which should be routine and should be provided.

But because of the fact of the cuts and the flat funding, they are forced to make these routine examinations and treatments to go to Boston. We do not want to see any veterans anywhere in this country be sacrificed for services that they served their country and they are owed from their country anywhere.

It has been pointed out a veteran in Maine and a veteran in California and a veteran in Florida and Texas and anywhere else should be treated with respect and care that really that we as a country owe them for what they have done for all of us.

Nobody wants to see anyone hurt. I am sure my friends that oppose this amendment would not want to see veterans and their families have to go through some of the things that they have to go through. But there is a problem here. We are asking for not only an increase in maintenance of a program that has been reducing allocations but they propose to increase those cuts over last year.

It is just unacceptable to see what veterans and their families are going through now as the system is set up to ask them to go through further hardships and pressures. I think it is just totally unacceptable. I support this amendment. I ask my colleagues to endorse this amendment.

I ask my colleagues to work together to see if we cannot make the pie larger for all of our veterans.

Mr. COOKSEY. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, in this debate over VERA funding, we can disagree and discuss what are the most meaningful statistics and whether VA's funding formula has achieved true equity. I expect the gentleman to fight for funding for his area just as all of us fight for funding in our districts.

But we ought to stick to the facts and avoid the kind of reckless scare tactics which some proponents of the Hinchey amendment have used. Some of my colleagues from New York are actually claiming that cuts in VERA funding have resulted in the, quote, deterioration of veterans health and even the loss of life in many instances.

For example, in debate last week the proponents of this amendment claimed that, quote, many veterans lost their lives at two hospitals in New York as a result of VERA funding reductions.

That is a very serious charge. The gentleman went on to say that this assertion is substantiated by the report which was done by the Inspector General of the VA itself.

I have served on the ethics board of the Louisiana Medical Society. Allegations of patients dying are the most serious that can be made and should never be made lightly, particularly in light of what the VA report already says. In fact, the report which the gentleman from New York cited is a 6-volume, 6-month study by the VA Office of Medical Inspector. That report did document serious problems at Castle Point and Montrose, New York VA Medical Centers, including greater than expected mortality rates during the first half of fiscal year 1997.

My colleague from New York will do well to read the medical inspector's report. However, because it says clearly that VERA was not the problem, specifically the medical inspector's report states, there was no impact of VERA at Castle Point and Montrose concerning mortality rates. And the medical inspector found that VERA was not linked to any of the quality care problems at the facilities.

The medical inspector made 158 recommendations to fix the problems he found at Castle Point and Montrose VA Medical Centers. Not a single one of those recommendations called for funding adjustments for New York, let alone the dismantling of the VERA funding system.

None of us wants to minimize quality of care problems when they surface. But it is one thing to advocate for increased funding for medical care. It is quite another to make baseless inflammatory charges. And I am disappointed to see the debate move to this level.

Mr. HINCHEY. Mr. Chairman, will the gentleman yield?

Mr. COOKSEY. I yield to the gentleman from New York.

Mr. HINCHEY. Mr. Chairman, I would draw the gentleman's attention to the fact that the Inspector General's report from the Veterans Administration, although it did not specifically in that report say that VERA was responsible for the decline in the quality of care, for the decline in the quality of maintenance at those Veterans Administration hospitals, for the decline in personnel, for the misallocation of personnel, for the incompetent personnel who were there at those facilities and for the increase in mortality at those facilities, it is quite clear that all those things occurred immediately upon the implementation of VERA and continued to get worse as VERA was continually implemented.

So while I did not expect the Veterans Administration to say specifically that VERA was responsible, it does not take an awful lot of reasoning to conclude from that report that these adverse circumstances occurred shortly after VERA was put into place, and as VERA was implemented they continued to get worse.

Mr. COOKSEY. Mr. Chairman, that said, I think that we really need to look at the management. There is reason to believe there may be some management problems there. I am a physician. I know about quality of care. Too often too many decisions made by some industry, some industries that we deal with, politicians, and unfortunately we are all politicians, are not always made on what is real quality of care. I think there is good reason to look at what is going on in the management of these hospitals.

Let me bring up something that has been brought to my attention by the gentlewoman from New York. There is one administrator for all these hospitals. This system that was set up actually pays bonuses to administrators in terms of added salary for giving money back. I agree, I have a problem with that. I do not feel that an administrator should receive a bonus for depriving a veteran of health benefits. I am a veteran. We all have veterans. Veterans across the country should get good care. We should look at quality of care and some equity in the system.

Mrs. THURMAN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, when I came to Congress in 1992, from the State Senate, and watched in Florida the population gain of veterans in our State, it was probably one of the most compelling issues that would bring any of us here in making sure there was equitable health care for all veterans, not only in the State of Florida but across the country.

We have watched in Florida the number of veterans rising and then, on top of that, you have to add in to that the amount of veterans that come to the State of Florida during the winter months, which also pushes up our health care needs.

But I would like to say a couple of things here. I am going to take a colleague, the gentleman from Washington (Mr. NETHERCUTT) who wrote a letter to his colleagues that said, when veterans migrated to the west and the south, funding continued to be concentrated in the northeast. The VERA system was directly to match work loads with annual allocations, taking into account numbers of basic and special care veterans, national price and wage differences and identification and equipment differences. We know that there are going to be some losers under that.

He also goes on to say, and I think this is true, that all VA network administrators agreed that this reform was crucial.

I also want to take an opportunity here to just talk a little bit about what our Florida Department of Veterans Affairs put out. It says, The really important outcome is that the VA system seems to be making a genuine effort to at least begin to concentrate on what is important, that similarly situated veterans receive similar treatment. VERA is the step in that direction. That is and should remain our focus.

I think that is what this Congress needs to do, is remain the focus on why these changes were made. We all know

the migration in this country. I have to tell my colleagues, I could go through one allocation of resources in every budget in this Federal Government, whether it be Medicaid, education, whatever, that we do not get equitable treatment. For the first time in a long time this was the first chance and has been the only chance that we have actually seen these changes made.

Let me give you a fact. In Florida, we now are servicing 36,000 more veterans because of this allocation. These are not new veterans. These were not veterans that just all of a sudden showed up. These are veterans who have been standing in lines, have been waiting for the service, who have not had the opportunity to be served in the State that they live in. And these are folks that live in there.

Then on top of that in the wintertime asking them if they can get any services. It is simple service, it is not extra service. It is not the special need person. It is the simple, everyday veteran out there that wants the same opportunity as the one in New York or any place else.

I have to tell my colleagues, there is just a very fair issue here.

I would hope, and this is very difficult because to me all veterans are equal, they served this country. Many of them died for this country. They have asked for us to keep our promise. We are having to fight an issue here that none of us want to have to fight. But on the other side of it, we have to take into account the migration into the southern parts of this country, and we have to start looking at how we are allocating our dollars and making sure that those dollars go to those veterans because of where they are today.

Mr. WELDON of Florida. Mr. Chairman, I move to strike the requisite number of words.

As a veteran myself and a Floridian, I rise in very, very strong opposition to this gentleman's amendment. I want to share something with all of my colleagues, whether they are from east of the Mississippi or west of the Mississippi or north of the Mason-Dixon line or south of the Mason-Dixon line, that veterans that come into my district, let me say this, the veterans in my district, the vast majority of them are not born and raised in my district.

I will tell my colleagues where they are from. They are from Maine. They are from New York. They are from New Jersey. And they come to my district, and they want to know why they cannot get seen, why they cannot get the care that they used to get up north or up in the midwest in Florida.

Now, this amendment is a very, very simple amendment. It is a very, very common sense amendment. It says, now that we have had 30, 40 years of millions of veterans moving from the northeast and the midwest into the sunbelt, that we will finally, for the first time, put the money where the veterans are and not where the bricks and mortar is.

I would encourage all of my colleagues to remember not their provincial square on the map but the veterans themselves who fought, many of them sacrificed lost limbs in defense of liberty, in defense of freedom, in defense of our country, and put the money, put the dollars where the veterans are and not where the bricks and mortar are.

I encourage all of my colleagues to vote no on the Hinchey amendment.

Ms. JACKSON-LEE of Texas. Mr. Chairman, I move to strike the requisite number of words.

I rise because this is a very painful discussion. It is painful because I believe that all of us who rise on the floor of the House and discuss our veterans truly believe that they are equal, as we would like all of us to be in this Nation. They have fought. They have bled. They have sacrificed. But it seems that the proponents of this particular amendment would like to say that our pain is greater than your pain.

And frankly, I was a supporter of the Coburn amendment. We do need more money in medical care for veterans. Just the other day I talked to a World War II veteran of mine who actually participated in the Japanese death march. He went to a hospital and was turned away, did not have the proper papers, the proper documentation, could not get necessary life-saving prescriptions.

□ 1630

So we have a crisis around this country as it relates to veterans. I believe we tried to do something credible about it. We instituted VERA, not because we wanted to take away from someone else's veterans. In fact, I think we should be discussing taking the surplus moneys that we seem to have found in this balanced budget and put it in veterans health and not talk about a tax cut. But VERA is the best we have got right now. If we need the facts, in 1997, the GAO reported that VERA is making resource allocation more equitable than previous systems. The VERA system takes regional differences into account by making adjustments for labor costs, differences in patient mix and differing levels of support for research and education.

What does that mean? It means that the overcrowded hospitals in our areas, people who move from the Rust Belt in the north, not that we are castigating the losses of population in our sister States, but they are coming south. What does that mean? Long, long, long lines. This has helped to bring about an equitable system, Mr. Chairman. Yes, there have been modest cuts in certain areas of the country. These cuts have been made in funding for hospitals whose patient populations have declined 20, 30 percent. This is not a reckless, random system where we do A-B-C and we pick you without any analysis. If your populations have fallen, then the moneys are distributed where there is a need.

I spoke to the administrator at my hospital in Houston, Texas, Mr. Whatley, new to the area. He says we cannot survive without VERA. Texas has got an increase in funds because of the increase in numbers of veterans. If I have got a 77-year-old World War II veteran being turned away from a hospital, we have got a real problem.

I would say to my friends who are supporting this amendment, let us work together to put more money in hospital care and medical care for veterans, period, but VERA is the best way we can to handle what we have got. Just over the last fiscal year, our hospital got 13 million more dollars to serve those in line at our front doors. In fact, VERA has helped us open community outreach centers in our rural areas. Again, this is not to claim that my pain is greater than your pain. But do not take away from us when we are suffering as well. Why do we not work together to get more dollars into veterans health care, more than even the Coburn amendment, deal with some of these surplus moneys and be fair to everyone. But right now, Mr. Chairman, it is unfair to distinguish it and eliminate it as something being wrong in the VERA reallocation process. I ask my colleagues in good faith to defeat this amendment and recognize the fairness of what we have tried to do.

Mr. STUMP. Mr. Chairman, I move to strike the requisite number of words. Mr. Chairman, I rise in strong opposition to this amendment. The Hinchey amendment turns back the clock to the days when the VA distributed its health care resources on the basis of where we built the hospitals after World War II. The current needs of veterans should determine how the VA allocates medical resources.

The proponents of this amendment say they do not want to start a regional fight over this, but of course that is exactly what they are doing. Congress mandated in Public Law 104–204 that VA medical resources be equitably distributed throughout the country. This was to ensure that veterans have equal access to care regardless of the region where they live. In response, the VA has implemented the Veterans Equitable Resource Allocation system, or VERA. Independent reviews by the General Accounting Office and by Price Waterhouse have validated this new system as meeting the intent of Congress. Both studies found that VERA is equitable to all veterans in the country and is a significant improvement over past allocation methods.

Mr. Chairman, I have letters from both the American Legion and the Veterans of Foreign Wars supporting this concept. I will include these for the RECORD. I urge my colleagues to vote ''no'' on the Hinchey amendment.

The letters referred to are as follows:

DEPARTMENT OF VETERANS AFFAIRS,
Washington, DC, July 17, 1998.

Hon. JERRY LEWIS,
Chairman, Subcommittee on VA, HUD, and Independent Agencies, Committee on Appropriations, House of Representatives, Washington, DC.

DEAR CONGRESSMAN LEWIS: I am writing this letter to express the Department's strong opposition to the amendment to H.R. 4194 that would prevent fiscal year 1999 appropriations from being used by the Department of Veterans Affairs for implementing the Veterans Equitable Resource Allocation (VERA) system.

The VERA system was developed in response to a Congressional mandate in Public Law 104–204. Independent reviews by the General Accounting Office and Price Waterhouse, LLP have validated the model as meeting the intent of Congress. Both studies have found that VERA is equitable and is a significant improvement over past allocation models. If VERA is stopped, then we will not be able to more equitably distribute our $17 billion appropriation for veterans' medical care. In FY 1999 alone, facilities in the central, southern, southwestern and western states will lose approximately $164 million in funding.

Enclosed is a fact sheet that in more detail describes why VERA was implemented, how VERA rectifies problems perpetuated by previous funding systems, the results of VERA to date, and external feedback about VERA which has reflected positively on its progress to date.

Thank you for your continued support of our Nation's veterans on this important issue.

Sincerely,
KENNETH W. KIZER, M.D., M.P.H.,
Under Secretary for Health.

Enclosure.

FACT SHEET ADDRESSING THE NEED TO CONTINUE USING THE VETERANS EQUITABLE RESOURCE ALLOCATION (VERA) TO DISTRIBUTE THE FY 1999 MEDICAL CARE APPROPRIATION

Issue: Amendment to H.R. 4194, which would mandate that none of the funds made available in the FY 1999 VA/HUD Appropriations Act may be used by the Department of Veterans Affairs to implement or administer the Veterans Equitable Resource Allocations system.

Discussion: The Veterans Health Administration (VHA) strongly opposes this Amendment. It would have an adverse effect on the VA's ability to equitably distribute its medical care resources and will perpetuate current residual inefficient use of taxpayers' dollars.

VERA was implemented beginning in April 1997 because: VA's FY 1997 Appropriation Act (Public law 104–204) required VHA to develop and submit to Congress a plan to allocate funds in an equitable manner. In February 1996, the General Accounting Office called for changes in VHA's allocation system. The effect of those previous systems was that dollars were spent inefficiently at some facilities, resulting in limited access and services at other facilities and an inefficient use of taxpayers' dollars.

VERA rectifies problems perpetuated by previous funding systems by:

Providing networks with two national workload prices for two types of patients—those with routine (Basic Care) and those with complex/chronic healthcare needs (Complex Care). In FY 1998, Networks receive $2,604 for each Basic Care patient and $36,960 for each Complex Care patient. This ensures that VA's special patients are funded appropriately. For example, the New York City Network (VISN 3) receives more Complex Care funds than any other VISN because they have the greatest number of special patients.

No longer basing funding on historical funding patterns but on validated patient workload and adjustments for variances in labor costs, research, education, equipment and NRM.

Adjusting network budgets to account for those veterans who receive care in more than one network.

Providing each network an allocation that recognizes its individual characteristics.

The results of VERA to-date are as follows:

For FY 1998 (the first full year of VERA), 13 networks received increases over funding levels for FY 1997. Nine networks received less funding. Network reductions were limited to 5%. Six networks saw increases of more than 10%, with the greatest at 12.3%.

Since July 1997 all collections from third party reimbursements, co-payments, per diems and certain torts are retained by the collecting network. A total of $688 million in receipts is projected to be collected in FY 1998. When estimated collections are added to VERA totals, the smallest percentage change from FY 1997 in funds available is +0.10% in network 3, while network 16 experiences the greatest percentage change in total funding with +10.38%.

With the 5% cap on losses in place, it is expected all funding inequities will be corrected by FY 2000, and VERA will have shifted $500 million across VHA's healthcare system over four years. (Most will be corrected by FY 1999.)

The graph[1] reflects that VERA is not simply moving all networks to an average cost per patient, rather it adjusts network allocations for variances in patient mix, labor costs, research and education support, equipment and NRM activities. Variances from the national average will exist because VERA allocates funds in a manner that adjusts for differences in patient mix, labor costs, and research and education support costs. Thus, even the networks that have less funding in FY 1998 compared to FY 1997 may still be provided a higher than average price than networks that receive more funding. For example, Network 3 which would receive 12.2 percent less funding under full VERA, has an average price of $5,659, which is 26.7 percent above the system average of $4,465. Conversely, Network 18 which would receive 11.4 percent more funding under full VERA, has an average price of $3,886 per patient, which is 13 percent below the system average.

External feedback about VERA has reflected positively on our progress to date:

In the Spring of 1997 Senator ''Kit'' Bond, Chairman of the VA-HUD Senate Appropriations Subcommittee said: ''. . . VA has overhauled its allocation methodology, vastly improving fairness and appropriateness with which resources are allocated to facilities . . . the new system is a tremendous step forward.

In late 1997 the GAO reported that VERA is making resource allocation more equitable than previous allocation systems.

In March 1998 Price Waterhouse LLP issued a report on its evaluation of VERA. The report concluded that VERA was a well designed system, is ahead of other global budgeting systems, and met VHA's goals of simplicity, equity and fairness. It also found that the conceptual and methodological underpinnings of VERA were sound.

Conclusion: The Amendment to H.R. 4194 is inappropriate given the accomplishments of VERA to-date. Additionally, we are maintaining a $100 million national funding reserve in the VA headquarters to assist networks in the unlikely event that the current level of patient care is threatened. The reserves will be used, if needed, to maintain the quality and level of services.

[1] Graph not reproduced.

VETERANS OF FOREIGN WARS
OF THE UNITED STATES,
Washington, DC, July 28, 1998.

Hon. BOB STUMP,
Chairman, Committee on Veterans' Affairs, House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: This is written to express the strong opposition of the Veterans of Foreign Wars to an amendment offered by Congressman Maurice Hinchey to H.R. 4194, which would prevent VA from further implementing the Veterans Equitable Resource Allocation system known as VERA.

VERA was developed in accordance with a congressional mandate and an overwhelmingly clear need to distribute resources in a more equitable manner within the VA medical system. While still in its relative infancy, VERA has been shown to be both equitable and a significant improvement over past allocation models. If VERA is halted at this juncture, there will be no better means of distributing scarce health care resources and veterans will suffer as a consequence.

The VFW has been and will continue to carefully scrutinize the operation of the VERA system, including the establishment on September 1, 1997, of a 1–800 hotline in operation 24 hours a day for the purpose of oversight. Thus far we have recorded no undue problems associated with VERA's operation. We are convinced that this will be the absolutely wrong time to halt its operation. We urge you to oppose Mr. Hinchey's Amendment to H.R. 4194 targeting VERA.

Sincerely,
DENNIS M. CULLINAN,
National Legislative Service.

THE AMERICAN LEGION,
Washington, DC, July 28, 1998.

Hon. BOB STUMP,
Chairman, House Veterans Affairs Committee, Washington, DC.

Dear Chairman Stump: The American Legion continues to support positive changes to the VA health-care system which are intended to improve its overall operating efficiency and, thereby, be more responsive to the needs of veterans. Today, more than three million veterans across the country rely on VA as their primary source of health care, based on the current eligibility criteria. We believe millions more would like to use VA, but limited resources still forces VA to limit services and access systemwide.

Funding levels in the FY 1999 budget for VA/HUD and independent agencies, now under consideration, will be constrained by the limits imposed on VA discretionary spending under the Balanced Budget Act of 1997. This is requiring the 22 Veterans Integrated Service Networks (VISNs), rather than 172 individual medical centers, to seek greater operating efficiencies, cost containment, and increased medical care cost recoveries, while trying to provide improved service to more veterans. Even though The American Legion has a number of concerns regarding problems with funding to the VISNs under the Veterans Equitable Resource Allocation (VERA) system, we continue to support VA's efforts to modify and improve this methodology based on experience.

It is recognized that the implementation of VERA involves many difficult financial decisions for VISN officials. Some of these decisions have resulted in stress and hardship for veterans and their families, particularly in those VISNs that incurred real dollar funding reductions. Nonetheless, VERA is an important management tool which will over

time help VA meet the needs of veterans in a more efficient, effective, and responsible manner. However, these changes do not address VA's need for long-term, guaranteed financial stability which can only be achieved by combining realistic federal appropriations, broadened third party reimbursement authority to include Medicare subvention, and the development of other new funding sources.

The American Legion believes Congress has a responsibility to safeguard the fiscal integrity of the VA health care program. It must also exercise continued oversight of the changes currently ongoing within the VA medical care program and the impact of reduced funding to ensure that veterans are not shortchanged or arbitrarily denied needed care and treatment.

The American Legion appreciates your continued support of our nation's veterans and their families.

Sincerely,

STEVE A. ROBERTSON,
Director, National
Legislative Commission.

Mrs. ROUKEMA. Mr. Chairman, I move to strike the requisite number of words.

(Mrs. ROUKEMA asked and was given permission to revise and extend her remarks.)

Mrs. ROUKEMA. Mr. Chairman, I really raced over here from a markup because I could not bear the thought that yet again we have to discuss a regional problem and be turning our backs on the elderly, sickest veterans in our country. I wanted to be here to strongly, for yet again the third time, I believe, during a series of debates, support our American veterans through the Hinchey amendment. We have heard about robbing Peter to pay Paul. Here this committee is proposing to rob GI Joe to pay who? I am not quite sure. In the transportation bill, we were paying for roads and taking it out of the veterans. But this VERA formula is the most egregious portion of this appropriations. Changing this formula is robbing GI Joe in States like New Jersey, and throughout the Northeast, where there are the oldest and the sickest, the people that are most dependent and most in need of this kind of care. Do not be deceived by any loose rhetoric that we have heard around here. There is no inference at all that they are overstaffed or that they have empty rooms and that we do not need it. That is a distortion of the real facts. For certain, a number of studies verify, including one by the Inspector General. There is no question but that these veterans in terms of the needs of their age group as well as the intensity of the quality of care that they need are the most needy and deserving of our veterans, those who were ready to give their lives for our freedom. Certainly gave their all, for their country in times of greatest need. I want to strongly endorse this Hinchey amendment. I cannot believe, that the committee is not open to rectifying this distortion and this abuse of our veterans and that we cannot in good faith find the money and correct this egregious abuse through the VERA formula.

To additionally make the point, Mr. Chairman, the current VERA formula is unacceptable. New Jersey and the Northeast stand to lose up to $130 million over the next three years. VERA favor veterans centers in the South and West over the Northeast. Although there are fewer veterans in the Northeast, their health problems are more expensive than the ''healthy'' veterans who retired and live in the South and West.

New Jersey has one of the oldest and neediest veteran population in the nation. Most of the veterans in the South and West do not have extensive health problems associated with age like in the Northeast. In addition, when many veterans that retired to the South and West become infirmed they find the health centers caring for veterans inadequate and return to their former homes in the northeast to receive proper medical attention. This places another burden on veteran health centers in the Northeast that was not anticipated by VERA and selfishly pits veterans against veterans in a regional fight for federal dollars. Veterans are veterans . . . no matter where they live.

The strain created by the reduction in funding is taking a tragic toll on the veterans of New Jersey and the northeast. To save money, the VA has cut back on numerous services for veterans and instituted various managed care procedures that have the impact of destroying the quality of care the veterans receive. For instance, the VA has reduced the amount of treatment offered to those who suffer from Post Traumatic Stress Disorder (PTSD) and reduced the number of medical personnel at various health centers. As a result of these cuts, there has been an erosion of confidence between veterans and the VA. This erosion threatens to destroy the solemn commitment that this nation made to its veterans when they were called to duty.

Mr. HINCHEY. Mr. Chairman, will the gentlewoman yield?

Mrs. ROUKEMA. I yield to the gentleman from New York, the author of the amendment.

Mr. HINCHEY. I very much thank the gentlewoman for yielding. I would like to take this opportunity to draw the attention of the Members of the House to the Inspector General report which was discussed here a few moments ago. At that time, I made the point that it was quite clear that although the report itself did not stipulate a causal relationship between VERA and the decline in quality and the increase in mortality, that it was clear to reason that one followed upon the other.

I want now to say this to my friends and colleagues here. Although the report did not stipulate that VERA was the causal effect, the author of the report, the Inspector General, said to me personally that he believed that VERA was the causal effect of the decline in quality in our veterans hospitals and that VERA was the causal effect of the increase in mortality in our veterans hospitals. That is undeniable. We have that from the mouth of the author of the report himself.

I would just like to say this, also. This amendment is about fairness. This amendment is not about taking money from one part of the country and giving it to another. This is not an amendment to hurt Florida. Yes, I listened carefully to what was said a few minutes ago by a number of our friends and colleagues from Florida who talked about the increase in the number of veterans in that State. Undeniably that is true. I addressed that, in fact, in my opening remarks. We are not denying that Florida veterans need more help and more funding because of the increase in population of veterans in that State and some other States in the South as well. What I am saying is that VERA is not doing it fairly. VERA is turning its back on the veterans in other parts of the country, not just the Northeast. I read the list to Members a couple of times. Veterans headquarters in every part of the country, from the East through the Midwest, including the South, Durham, North Carolina for example, out to Long Beach are being adversely affected. Veterans funds are being cut in every one of those regions. This amendment is about fairness. It simply says, yes, we have to recognize that we have to do more for veterans in Florida and more for veterans in Arizona and other places but let us not do it at the expense of veterans in other parts of the country.

Mrs. ROUKEMA. Exactly.

The CHAIRMAN. The time of the gentlewoman from New Jersey (Mrs. ROUKEMA) has expired.

Mr. HINCHEY. Mr. Chairman, I ask unanimous consent that the gentlewoman be given 2 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

Mr. SCARBOROUGH. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

Mr. CUNNINGHAM. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, sometimes it is almost laughable. I am a veteran. I live here in the Northeast right now. I want fairness for veterans. There is no one that I take a back seat to on support for veterans issues or active duty military issues. But I rise in opposition to the gentleman's amendment.

Let us look at cause and effect. I am going to speak to my Republican colleagues, not even the opposition over here. Many of those that live in the Northeast are the first to support the great social programs. Look at the National Endowment for the Arts. Why do you not cut it? How about Davis-Bacon, that we can save 35 percent on all construction, but will you stop that? We could put every penny of that in veterans. And the great social programs that you support and the war on the West. So do not come to me crying that your veterans are not being taken care of.

Those that support defense, we want live veterans. Three hundred percent operation deployments above what it was during the Cold War. We are only maintaining 24 percent of our military.

That means all of them are going to become veterans. Defense cuts.

And then my colleagues on the other side from the Northeast saying, well, there were tax breaks for the rich. Now, I want to tell the gentleman, veterans benefit from tax breaks, just like anybody else. Veterans benefit from a balanced budget that most of them voted against for low interest rates, whether it is for scholarships, for homes or buying a home or just getting a double-egg double-cheese double-fryburger down at the store. And yet they cry, ''Oh, there is no money.''

So look at the cause of why we are. We pay nearly $1 billion a day on the national debt, $360 billion we could use for veterans care. But a liberal Congress over 40 years spent with big government, high taxes. And where are we now under a balanced budget? We could survive under a balanced budget, but if the President refuses to pay for 300 percent Operation Tempo, where does that money come from out of defense? It goes against our veterans. We could use the $25 billion that it is costing us in Bosnia, and we could fund every veterans program there is.

So do not come to me crying, we need to fund our veterans, or that we are cutting veterans. I want more money for veterans, but I look at the cause of why we cannot give it.

I rise in opposition to the amendment.

Mrs. MCCARTHY of New York. Mr. Chairman, I rise today in support of Representative HINCHEY's amendment to prohibit funding for the implementation of the Veteran's Equitable Resource Allocation program.

Making sure our veterans receive high quality care is one of my top priorities. This is an issue of basic fairness—when our country called on men and women to serve, they answered without hesitation. In return, we promised to take care of them when they got sick or old. Our country must honor their part of this agreement.

I often visit the Northport VA facility on Long Island and I am always impressed by the quality of health care that is available. More importantly, I am impressed by the praise the facility received from the patients themselves. As a nurse, I know that the best critic of a health care facility is its patients.

I am pleased to say that the veterans treated at the Northport facility are extremely satisfied with their quality of care. Unfortunately, I am also aware that this high quality health care is in jeopardy. In the Northeast, the implementation of VERA would result in decreased funding for our VA facilities. At this point, most of our VA hospitals in the Northeast have already cut back on spending and trimmed down. Further cutbacks in funding to our VA hospitals will come at the expense of patient care. Our VA hospitals will be forced to cut back on the bare necessities, like nursing and support staff, which we all know are the backbone of quality care. We must not allow this to happen.

That is why I rise in support of Representative HINCHEY's amendment to prohibit the implementation of the Veteran's Resource Allocation Program. This amendment will ensure that valuable resource dollars for veterans health care remain in the Northeast.

Mr. BEREUTER. Mr. Chairman, this Member rises today in strong support of the Hinchey amendment and in opposition to the Veterans Equitable Resource Allocation (VERA) system. As you know, VERA provides the Department of Veterans Affairs medical care funding to regions across the country, and uses an allocation formula that ties funding for each of the 22 geographic regions to the number of veterans that they actually serve, based on per capita veterans usage of facilities. While this sounds like fair allocation system in theory, it has detrimental effects on VA medical care in many areas of the country, especially sparsely populated areas like Nebraska.

From the time the Administration announced this new system, this Member has opposed VERA and have supported funding levels of the VA Health Administration above the amount the President recommended. This new formula has produced a 5 percent decrease in funding for this fiscal year for my state, which resulted in a $13.5 million decrease in funding distributed to my state of Nebraska. Already, we have been threatened by the closure of a major VA medical facility in my district. VERA has seriously impacted health care for veterans in the less populated states and generally ignored existing facilities such as the Lincoln VA Hospital. In fact, last February the Administration recommended that inpatient care at the Lincoln VA Hospital be terminated in the near future. While it is true that the number of veterans served at the Lincoln VA Hospital and other VA facilities in the state have decreased over the past years, as they have in most areas of the nation because we now deny most veterans in-patient care in our VA hospitals. Nevertheless, we still have an obligation to provide care to these people who served our country during our greatest times of need. There must be at least a basic level of acceptable national infrastructure of facilities, and medical personnel is needed to serve our veterans wherever they live. This Member finds the decrease in quality and accessibility of medical care for veterans who live in sparsely populated areas to be completely unacceptable.

Everyone will agree that the VA must provide adequate facilities for veterans all across the country regardless of whether they live in sparsely populated areas with resultant low usage numbers for VA hospitals. This Member strongly supports the Hinchey amendment to prevent further implementation of the Veterans Equitable Resource Allocation system. American veterans living in all areas of the country deserve nothing less. This Member asks his colleagues to support the Hinchey Amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York (Mr. HINCHEY).

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. HINCHEY. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN. Pursuant to House Resolution 501, further proceedings on the amendment offered by the gentleman from New York (Mr. HINCHEY) will be postponed.

AMENDMENT NO. 32 OFFERED BY MR. HILLEARY

Mr. HILLEARY. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 32 offered by Mr. HILLEARY:

At the end of the bill, insert after the last section (preceding the short title) the following new section:

SEC. . The amounts otherwise provided by this Act are revised by reducing the amount made available for ''DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT—COMMUNITY PLANNING AND DEVELOPMENT—HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS, and increasing the amount made available for ''DEPARTMENT OF VETERANS AFFAIRS—DEPARTMENTAL ADMINISTRATION—GRANTS FOR CONSTRUCTION OF STATE EXTENDED CARE FACILITIES,'' by $21,000,000.

Mr. HILLEARY. Mr. Chairman, I rise today and offer an amendment to H.R. 4194 that will adjust HUD housing opportunities for persons with AIDS back to fiscal year 1998 levels and invest more money in the Department of Veterans Affairs grants for construction of State extended-care facilities.

Mr. Chairman, I must first acknowledge the hard work of the gentleman from California (Mr. LEWIS) and his counterpart on the other side of the aisle and the members of the committee and their staff for all the hard work on this bill. I know they did everything they could to come up with a balanced budget. I think it is pretty balanced.

But I just have one small amendment I want to make, and it is very simple. As has been said many times on the floor this afternoon, we have a severe shortage of veterans care facilities, both health care and these type of housing facilities. This program is used to provide matching grants to States to construct State home facilities, to provide a home or nursing home care to veterans. These grants may also be used to expand, remodel or alter existing facilities that provide those needs to veterans or that provide hospital care to veterans in State homes.

□ 1645

The need for veterans care facilities continues to increase at a rapid pace as the veterans population continues to age. The number of veterans 65 and over is expected to peak in the year 2000 at 9.3 million. H.R. 4194 in its present form appropriates $80 million for this program, the same as last year, while the number of veterans who need this program has dramatically risen. To fully fund the extended-care needs of our veterans in this country for fiscal year 1999 we would need $152 million.

My amendment does not even meet that level of assistance, but it does transfer $21 million toward that goal. This additional money would provide grants to assist States in constructing State home facilities. My amendment transfers $21 million from the base bill's increase in housing for persons with AIDS. My amendment does not cut dollars from housing opportunities for Persons With AIDS program. It simply freezes that program at fiscal year 1998 levels. While the number of

aging veterans who require this program continues to increase at a rapid pace, the most recent data shows that the annual number of new AIDS cases declined by 6 percent. Once again, the base bill increases funding for housing opportunities for persons with AIDS by 21 million over fiscal year 1998 levels while the base bill freezes funding for veterans housing at fiscal year 1998 levels even though the number of veterans who need this housing has increased dramatically. My amendment transfers the increase in funding to veterans housing and leaves housing for those with AIDS frozen at the fiscal year 1998 level.

I want my colleagues to know that the American Legion fully supports this effort to increase VA grants for construction of State extended-care facilities by this $21 million.

I ask my colleagues to consider what is at hand and make the right choice, and I urge a strong vote on this amendment.

AMENDMENT OFFERED BY MR. NADLER TO THE AMENDMENT OFFERED BY MR. HILLEARY

Mr. NADLER. Mr. Chairman, I offer an amendment to the amendment.

The Clerk read as follows:

Amendment offered by Mr. NADLER to the amendment offered by Mr. HILLEARY:

In lieu of the matter proposed to be inserted insert the following:

SEC. XXX. The amounts otherwise provided by this Act are revised by reducing the amount made available for National Aeronautics and Space Administration—Human Space Flight for and increasing the amount made available for Department of Veterans Affairs—Departmental Administration—grants for construction of state extended care facilities', by $21,000,000.

Mr. NADLER. Mr. Chairman, I recognize the intentions and the intelligence of the gentleman's intention to increase $21 million in funding to the veterans housing and medical care facilities. I object, however, to his wanting to take this $21 million away from the housing opportunities for people with AIDS, or HOPWA program. It is a cut in the HOPWA program compared to what the bill gives it of almost 10 percent. The HOPWA program is the only Federal housing program that specifically provides cities and States hardest hit by the AIDS epidemic with the resources to address the housing crisis facing people living with AIDS. Sixty percent of all people living with HIV and AIDS will face a housing crisis at some point during their illness because of high medical expenses and the loss of wages attendant under the disease.

Major strides, thank God, have been made in treatment options for people living with AIDS, and with these advances there is new hope. But the cost of these treatments often places people in the position to decide between essential medications and other necessities such as housing. Further, individuals who have HIV and AIDS must have stable housing, access to and benefits from complex drug treatments which often requires special dietary needs.

Medications must often be refrigerated and taken on a rigid time schedule. Inadequate housing is not only a barrier to treatment, but also puts people with AIDS at risk of premature death from exposure to other diseases, poor nutrition, stress and lack of medical care. At any given time, one-third to one-half of all Americans with AIDS are either homeless or in imminent danger of losing their homes. HOPWA answers this need.

Mr. Chairman, increasing numbers of people have AIDS in this country and increasing numbers of people every year, luckily, because of our medical advances, are surviving and living longer, and we need more money for HOPWA. A cut of almost 10 percent makes no sense.

So I would suggest, instead, and what my amendment does is takes $21 million instead away from the space station which is funded this year at 2.1 billion. So this is 1 one-thousandth, a reduction of 1 one-thousandth in the space station budget, instead of a reduction of 10 percent in the HOPWA budget.

Mr. LEWIS of California. Mr. Chairman, will the gentleman yield?

Mr. NADLER. I yield to the gentleman from California.

Mr. LEWIS of California. Mr. Chairman, let me say to the gentleman I appreciate where he is coming from. It has been my intention to oppose the amendment as it is presented. If we go through with this process of amending amendments, I am not sure the chairman is going to be able to find himself in that position.

Mr. NADLER. Mr. Chairman, let me just suggest if the gentleman would accept the amendment, I would support his amendment. If he does not, I have to oppose his amendment. I think the space station, regardless of how colleagues voted on the Roemer amendment, $20 million less, $21 million less out of 2.1 billion, will not materially affect when the space station is completed; but a 10 percent reduction in HOPWA is a devastating cut, and I would ask if the gentleman would accept the amendment.

Mr. HILLEARY. Mr. Chairman, will the gentleman yield?

Mr. NADLER. I yield to the gentleman from Tennessee.

Mr. HILLEARY. Mr. Chairman, I cannot accept that amendment simply because it is not a devastating cut to HOPWA. This is going to freeze it at its present level.

Mr. NADLER. Reclaiming my time, if the gentleman will not accept the amendment, I have to say a 10 percent cut is a very heavy cut. We have a choice, and I will press the amendment. We have a choice. If the amendment goes as it is, then it is a 10 percent cut to HOPWA. I do not see how my colleague can rationally say that it will make a material difference to the space station whether it gets 2.1 billion or 2.098, or whatever it is, billion dollars.

Mr. COBURN. Mr. Chairman, will the gentleman yield?

Mr. NADLER. I yield to the gentleman from Oklahoma.

Mr. COBURN. Mr. Chairman, the actual numbers of people with AIDS in our country declined 6 percent this past year. That is a fact produced. It is because we are doing a good job on triple drug therapy and there are more people living with HIV that the actual number of people living with AIDS is down 6 percent in our country, living with AIDS.

Mr. NADLER. Reclaiming my time, Mr. Chairman, my information, and I do not have the figures in front of me, is that the number of people who died from AIDS is down, thank God, but the number of people living with AIDS is up because more people are contracting AIDS every year and fewer people are dying from it and more people are living with it.

So we need these funds.

Mr. HILLEARY. Mr. Chairman, will the gentleman yield on that particular?

Mr. NADLER. Mr. Chairman, no, there is no point debating that specific. The fact is we have great unmet needs for housing for people with AIDS. The committee made an intelligent decision, and now to cut the budget by $21 million, by almost 10 percent for veterans needs which are also there, I do not understand the stubbornness in not accepting my amendment which I hope people will agree to. A 1 one-thousandth reduction in the space station is a heck of a lot more bearable than a 10 percent reduction in housing for people with AIDS. One doesn't really have an effect, the other has a very substantial effect, and I just hope people will think about it.

Mr. HILLEARY. Mr. Chairman, will the gentleman yield?

Mr. NADLER. I yield to the gentleman if he has a question to ask me.

The CHAIRMAN. The time of the gentleman from New York (Mr. NADLER) has expired.

(By unanimous consent, Mr. NADLER was allowed to proceed for 1 additional minute.)

Mr. NADLER. Mr. Chairman, I yield to the gentleman from Tennessee.

Mr. HILLEARY. Mr. Chairman, I was simply going to say that I think the statistic about the 6 percent decrease might not be exactly right. It is a decrease in the number of new cases, a percentage decrease in the number. It is a decrease in the increase of the number of new cases, and I just wanted to clarify that.

Mr. NADLER. Mr. Chairman, the needs in both areas are going up, and I would again implore the gentleman to accept the amendment because it will not affect the space station, 21 million, it is so tiny a percentage of it, but it will really affect HOPWA.

Mr. BARTON of Texas. Mr. Chairman, I move to strike the last word.

Mr. Speaker, I wanted to rise in opposition to the Nadler amendment and, in addition to that, enter into a colloquy with the gentleman from Michigan.

Mr. KNOLLENBERG, I have read the various ''Dear Colleague'' letters that have been distributed on the committee bill and listened carefully to the floor debate on this issue. Is it the committee's intention to limit EPA programs such as a climate challenge, the program for a new generation of vehicles, green lights, energy start and other programs that Congress has funded in the past?

I raise this issue because these programs have increased energy efficiency over the range of U.S. energy in industrial sectors of our economy. It would not seem that it was the intent of the legislation to report language or limit these activities.

Mr. KNOLLENBERG. Mr. Chairman, will the gentleman yield?

Mr. BARTON of Texas. I yield to the gentleman from Michigan.

Mr. KNOLLENBERG. Mr. Chairman, I appreciate the opportunity to respond to the gentleman's inquiry about this legislation because there has been a great deal of misunderstanding and mischaracterizations regarding the real-world results it might have on EPA.

We need this provision in order to assure that EPA does not undertake back-door implementation of the Kyoto Protocol. This is a strong setup of the House based on the debate that we have had. We have seen a trend where EPA is beginning to interpret existing statutes overly broadly and to even create new interpretations of current law. These examples have come out in oversight hearings in both the House and the Senate.

The main purpose of the legislative and report language is to ensure that existing regulatory authority is not misused to implement or to serve as a future basis for the implementation of the Kyoto Protocol in advance of its consideration and approval by the Senate of the United States. We are not trying to cripple or to cancel existing energy conservation programs or to curtail research development and demonstration programs for new, more efficient technologies or to undermine existing environmental law. We are only trying to keep EPA honest.

That is our job in Congress, to conduct oversight hearings and to make sure that the Federal agencies live by the letter of the law and the Constitution and to ensure taxpayer money is spent wisely.

Mr. BARTON of Texas. Mr. Chairman, I would ask the gentleman from Michigan if the Senate has taken a similar position in their VA appropriation bill.

Mr. KNOLLENBERG. I would be pleased to respond to that.

The Senate does indeed have a similar position dealing with this issue. In fact, Senator CHAFEE, the chairman of the Senate Environment Committee, stated in a colloquy with Senator BOND, that was during the debate on the VA-HUD appropriations, that he agreed. And let me stress this point: He agreed that the EPA should not use appropriated funds for the purpose of issuing regulations to implement the Kyoto Protocol unless and until such treaty is ratified by the U.S. Senate.

Both the House and the Senate strongly concur in that position, so it is a bit of a red herring for people to say that this legislation will hamstring EPA or hinder energy conservation and greenhouse gas reduction programs that are ongoing.

Mr. BARTON of Texas. I understand that there is more concern about the report language in this bill than the legislative language. There seems to be various interpretations of the report language.

Mr. KNOLLENBERG. The report language simply tries to clarify that EPA has been pushing the envelope with various activities that have been portrayed as being educational in nature but have, in fact, become Kyoto Protocol advocacy activities. We wanted to make it clear that EPA should not be engaged in advocating for implementation of the Kyoto Protocol, or through its so-called outreach activities that would actually implement the protocol. It was not our intention to stifle discussion about potential climate change, scientific give and take, research or general educational efforts regarding global climate. This report language was never intended to muzzle EPA. It was, however, needed because we wanted to clear the EPA and the CEQ, but there is a fine line between education and advocacy, and that the EPA should not cross that line.

The gentleman from Wisconsin (Mr. OBEY) made this quite clear during the debate on this amendment.

Mr. BARTON of Texas. Mr. Chairman, to summarize, I appreciate the gentleman's clarification. I agree that EPA should not be stopped from fostering legitimate scientific research and balanced public debate on this issue because there is still much to be learned in this area. During our numerous congressional hearings on this issue, the administration has not been willing to engage in this debate.

For example, we have yet to receive an authoritative analysis of the economic impact of the Kyoto Protocol reflecting all of the constraints on possible emissions trading. As chairman of the Subcommittee on Oversight and Investigations of the Committee on Commerce, I look forward to working to assure that the administration, EPA and CEQ understands this guidance, and I thank the patience of the gentleman from California (Mr. LEWIS).

Mr. LEWIS of California. Mr. Chairman, will the gentleman yield?

Mr. BARTON of Texas. I yield to the gentleman from California.

Mr. LEWIS of California. Mr. Chairman, will the gentleman yield to the gentleman from New York (Mr. NADLER) by chance?

Mr. BARTON of Texas. Mr. Chairman, I yield to my good friend, the gentleman from New York.

Mr. NADLER. Mr. Chairman, I am informed that the chairman of the subcommittee would probably oppose the Hilleary amendment, in fact, I think he said that on the floor but I was not listening carefully enough, if we withdraw this amendment to the amendment.

So, Mr. Chairman, I ask unanimous consent to withdraw the secondary amendment on the understanding that we will have support in opposing the Hilleary amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

The CHAIRMAN. The amendment offered by the gentleman from New York (Mr. NADLER) to the amendment offered by the gentleman from Tennessee (Mr. HILLEARY) is withdrawn.

Mr. STOKES. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Tennessee (Mr. HILLEARY). I cannot support reducing the amount provided for housing opportunities for people with AIDS, as the Hilleary amendment proposes to do.

☐ 1700

Last year's appropriations bill provided a 70 percent increase for this program. This year, we simply held the program constant at the higher amount. It is also true that the committee did recommend an increase for the Housing Opportunities for People With AIDS Program.

This year's recommended increase is about 15 percent, and it follows smaller increases or freezes in the preceding years. Why did the Committee on Appropriations consider it so important to provide a modest increase for HOPWA? Quite simply because the need for this program is great and continues to grow each year.

The number of Americans living with AIDS continues to grow. One reason for this is that the number of new cases remains substantial. More than 60,000 last year. Another important reason is that advances in medicine are making it possible for people with HIV infections to live longer. That is wonderful news, but it does mean that, every year, there are more people living with AIDS who may be in need of our help.

One measure of the need for this program is the number of State and local governments that qualify for HOPWA grants. Almost all funding under the HOPWA program is distributed through a formula based on the number of AIDS cases.

When the number of cases in a State or metro area crosses a specified threshold, that State or locality becomes eligible for HOPWA grants. The number of jurisdictions qualifying has risen from 80 last year to 88 this year and is expected to rise to 96 next year.

In this context, the funding increase provided in the bill seems quite modest. Between 1977 and 1999, the number

of States and localities qualifying for HOPWA money will increase by 20 percent while the funding will increase by only 15 percent.

That increase is not enough to fully accommodate the newly qualifying States and cities, let alone the workload increases in those places already receiving grants. The Hilleary amendment would cut the 2-year funding increase to just 4 percent, plainly inadequate in the face of the rising need.

Some may ask, why do we have a special housing program for people with AIDS? The answer is that we have a special AIDS-related program because AIDS creates some very special and particularly urgent housing needs.

A number of people living with AIDS are already homeless. Many more face the imminent threat of losing their homes, either because of discrimination or simply because the combination of declining earnings and escalating medical expenses makes housing unaffordable without some help.

At the same time safe, decent, and stable housing is essential to maintaining health and to undertaking the complex medication and treatment regimes that offer the best hope of survival.

But we do not just maintain the HOPWA program out of compassion, although that would be reason enough. The program also makes sense as a matter of economics. It has been estimated that about 30 percent of the HIV patients in acute care hospitals in any given time are in the hospital only because there are no appropriate community-based residential alternatives.

It is far less costly to help someone live in a residential environment with access to supportive services than to have them in and out of emergency rooms and hospitals.

This supportive housing, as funded under the HOPWA program, helps save health care dollars while helping people live healthier, happier, and more productive lives.

In short, HOPWA is a program that makes sense. The modest increase recommended by the committee is more than fully justified by the rising need. We should not eliminate this increase. I urge defeat of the amendment.

Ms. PELOSI. Mr. Chairman, I move to strike the requisite number of words.

Mr. Speaker, I rise in opposition to the Hilleary amendment which would take much-needed funds from the Housing Opportunities for People With AIDS, the HOPWA program.

I am sympathetic to the gentleman's concerns about the funding for the veterans program that benefits from this amendment, and that is why I wish that the 602(b) allocation for this particular appropriations bill could be larger.

I sympathize with the attempt on the part of the gentleman from New York (Mr. NADLER) to say we respect the need that the gentleman from Tennessee (Mr. HILLEARY) points out, but recognize that this is also a bad place to take the funds. As the distinguished ranking member has said, it is a good investment in health. It saves taxpayers' dollars and, indeed, it saves lives.

I feel very partial to the Housing Opportunities for People With AIDS legislation because the gentleman from Washington (Mr. MCDERMOTT), the gentleman from New York (Mr. SCHUMER), and I were the authors of this legislation on the Committee on Banking and Financial Services or the Committee on Banking, Finance, and Urban Affairs years ago. It has been a successful program that has deserved continuing support of this House under the leadership of the gentleman from Ohio (Mr. STOKES) and now under the distinguished chairman of the committee, the gentleman from California (Mr. LEWIS).

Mr. Chairman, I am pleased to yield to the gentleman from California (Mr. LEWIS).

Mr. LEWIS of California. Mr. Chairman, I very much appreciate my colleague from California yielding to me.

I have before me a ''Dear Colleague'' that is signed by most of those Members who have spoken today regarding this matter on the floor. There is a broad bipartisan understanding of the challenge that AIDS provides for our entire society, and I must say that this particular housing problem is a very, very difficult one. I want to associate myself with the remarks of the gentlewoman from San Francisco, California and appreciate very much her position.

Ms. PELOSI. Mr. Chairman, I thank the gentleman and his opposition to the Hilleary amendment when he is associating himself with my remarks.

Mr. LEWIS of California. I certainly agree with the gentlewoman's complimenting the concern of the gentleman from Tennessee (Mr. HILLEARY) about deference problems; but, the challenge that we have relative to funding these problems that HOPWA programs address deserves our support. Thereby, I oppose the amendment.

Ms. PELOSI. I thank the gentleman for the clarity of his statement, for his leadership on this issue, and for the hard work that he has put into this important VA–HUD bill. He sees the whole picture. He knows the value of this HOPWA program. He has followed it over the years. So I am very, very pleased with his clear statement and the remarks of the distinguished ranking member, the gentleman from Ohio (Mr. STOKES).

It is clear that, by reducing HOPWA's funding by $21 million, this Hilleary amendment would deny housing assistance to more than 4,800 people. It would result in the withdrawal of program support for an estimated 3,800 units of housing, including funds for rental assistance and homelessness prevention.

If one has HIV, if one is HIV infected, the last thing one's immune system needs is the additional stress of homelessness or the threat of homelessness.

We will hear today, Mr. Chairman, that the HOPWA funds may not be necessary because the annual new number of AIDS cases is declining. The reality is that the need for this housing continues to grow, as does the epidemic, as the ranking member pointed out. In the 1997 reporting period, CDC reported 60,634 new cases, to be precise, in the United States.

HOPWA funding is primarily allocated on a formula basis. Almost since its inception, funding for HOPWA has not kept pace with the number of new communities eligible for HOPWA funds. I would like to name what those communities are for 1999. FY 1999, it is expected that seven communities, Birmingham, Alabama; Buffalo, New York; Honolulu; Wilmington; and the States of Arizona, New Mexico, and Utah will become eligible for HOPWA funds, and five other States: Hawaii, Delaware, Minnesota, Nevada, and Wisconsin, which would otherwise have lost funding due to their urban areas qualifying separately under the formula.

As a result of the good news of the success of powerful drugs fighting the virus, the number of people living with AIDS is increasing dramatically. But so are their needs. In 1997, the number of people living with HIV increased 13 percent. But in order for the drug therapies to work, people need the stability of having a home.

Some of the people on the AIDS drugs must take as many as 40 pills a day at regular times. People cannot comply with the rigors of these drug regimens if they are homeless, moving from shelter to shelter, or trying to cope with impending homelessness.

The number of people living with AIDS has increased by 13 percent. It is important to remember who benefits from HOPWA funding. HOPWA funding is for people with HIV/AIDS and their families. About 25 percent of recipients of HOPWA funds are family members who reside with persons with HIV/AIDS. Over 96 percent of the families and individuals who received HOPWA assistance were households with incomes of less than $1,000 a month.

I know it is difficult for many of us to vote against something for the veterans, but I urge my colleagues to understand what this need is. Many of the people who benefit from the funds are veterans.

Vote ''no'' on the Hilleary amendment.

Mr. DELAHUNT. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, as others have indicated, this amendment would strike funding for programs that are, not only compassionate, but are cost effective. In short, it is working. I am at a loss to understand why anyone would want to undercut it.

The sponsor of the amendment says he wants to redirect this money to veterans' health care programs but who

does he think these funds are benefiting now? Because it is important to remember that roughly 30 percent of the homeless in America are veterans, and many of these are numbered among the 100,000 to 150,000 veterans who are living with HIV.

These are the very people that HOPWA serves. It helps them live longer and stay healthier. It spares States and localities the far greater costs of hospital and emergency room care to which they would otherwise be forced to turn.

If this amendment succeeds, thousands would be forced to choose between paying their medical bills or paying the rent. Many would end up in acute care hospitals at a cost 10 to 20 times that of the housing and services that they would receive in a HOPWA-funded residential facility.

The rest could find themselves huddled in homeless shelters and sleeping on grates.

Mr. Chairman, I associate myself and welcome the remarks of the other speakers and am pleased to hear the distinguished gentleman from California (Mr. LEWIS), the chair of the subcommittee, will oppose this particular amendment.

Ms. JACKSON-LEE of Texas. Mr. Chairman, will the gentleman yield?

Mr. DELAHUNT. I yield to the gentlewoman from Texas.

Ms. JACKSON-LEE of Texas. Mr. Chairman, I thank the gentleman very much because I quickly want to associate myself with the gentleman's remarks because I was here previously on the floor of the House discussing the question about the needs of veterans.

I do want to say that this is a difficult and very wrenching decision. The gentleman is right, 100,000 to 150,000 of our veterans are living with HIV. I know that many of our veterans are homeless.

Another point I wanted to raise, many people living with AIDS are suffering housing discrimination. People do not want them around, and the idea of HOPWA is to provide clean, secure housing that these people who have been in the past looked at as being contagious or not wanting to have people around them and being isolated or rejected from normal housing situations, to be able to have good clean housing. As you well know, the increase in minority populations also require this kind of housing.

I would simply say that we are making a wrenching decision that really would be more hurtful, hurtful to veterans living with AIDS, hurtful to new populations and other States that are being grandfathered in and other States like Utah that are being added in, and I would hope that we would defeat this amendment, recognizing how crucial it is to be able to provide for these people living with this disease and living longer.

Mrs. MORELLA. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in reluctant opposition to this amendment. I have always supported the highest possible spending levels for veterans programs, but unfortunately we should not be pitting one important program against another and that is what this amendment does by cutting the housing opportunities for people with AIDS, the HOPWA program, by $21 million.

Mr. Chairman, the HOPWA program has strong bipartisanship support. It is the only Federal housing program that specifically provides cities and States, those that are hardest hit by the AIDS epidemic, with the resources to address the housing crisis faced by people living with AIDS.

In fact, the gentleman from New York (Mr. NADLER) and I circulated a Congressional letter to appropriators urging increased funding for HOPWA and this letter was co-signed by almost 100 Members of both parties.

It is true that the number of AIDS-related deaths has begun to decline thanks to dramatic new treatments and improvements in care. However, HIV/AIDS remains a major killer of young people. It is the leading cause of death for African and Hispanic Americans between the ages of 25 and 44.

The high cost of the new treatments has often forced people to decide between essential medications and other necessities, such as housing. Further, stable housing is critical to the success of the drug regime. The medication often must be refrigerated and taken on a rigid time schedule.

Without adequate housing, people with HIV/AIDS may not only be unable to adhere to the strict regimen required but premature death may result from poor nutrition, exposure to other diseases and the lack of medical care. At any given time, one-third to one-half of all people with AIDS are either homeless or on the verge of losing their homes.

HOPWA addresses this need by providing reasonably priced housing for thousands of individuals and yet the demand far outstrips the supply. HOPWA gives cities and States the ability to provide community-based cost effective housing and, in so doing, reduces the number of people who would otherwise end up on the streets or in acute care facilities.

□ 1715

At a daily cost of $1,085 per day under Medicaid, acute care facilities are far more expensive than HOPWA community housing, which averages $55 to $110 per day. Nationwide, HOPWA saves an estimated $47,000 per person per year in emergency medical expenses.

Contrary to the assertions that there is a reduced need for HOPWA funding, HUD has estimated that an additional seven to ten jurisdictions will qualify for HOPWA funding during fiscal year 1999, a program that already serves more than 52,000 individuals in 88 jurisdictions, 59 metropolitan areas, and 29 States.

To prevent cuts to qualifying jurisdictions, the bill's level of funding is needed. It is important to realize that the increase in HOPWA spending in the bill simply maintains current services for qualifying jurisdictions. It is important to recognize that between 100,000 and 150,000 veterans currently access some level of HIV-AIDS services, and many of these veterans are also eligible for housing assistance under HOPWA.

Mr. Chairman, I will certainly work in conference to ensure that veterans' housing is increased. However, this funding offset is unacceptable, and I must reluctantly oppose the amendment. I hope my colleagues will do likewise.

Mr. MCDERMOTT. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise today in strong opposition to the Hilleary amendment. While I recognize the urgency of housing for our Nation's veterans, robbing Peter to pay Paul is not the way to go.

The Hilleary amendment would take away $21 million earmarked for the Housing Opportunity Act from the 1999 budget. This is a bill that, as the gentlewoman from California (Ms. PELOSI) said, we started a long time ago. And I think we ought to acknowledge the gentleman from Texas (Mr. GONZALEZ), who really was the man who was in charge of the committee when we were on it; and when we told him about this idea he said, it sounds like a good idea.

While supporters of this bill will argue that we are not cutting HOPWA per se but rather freezing it at the 1998 levels, I would argue that an increase is what is actually needed to provide adequate housing for people living with AIDS, many of whom are veterans.

As my colleagues have heard, what the gentleman fails to recognize is the dramatic increase in the number of veterans with AIDS. There are 100,000 to 150,000 people in this country who are veterans who have HIV. 17,000 of them are taken care of in the VA system, and roughly 30 percent of the homeless in the United States are veterans.

Now, with the advent of new drug therapies, new hope is offered to people with HIV. However, these therapies are not available to everyone, especially the homeless. Strict regimens and a proper diet are mandatory for these drug therapies to work, and people with inadequate housing are not good candidates for such therapy.

This was one of the suggestions of the Reagan Commission on AIDS. There were five suggestions, and one of them was HOPWA. The reason they suggested it is because when one has AIDS, one has a weakened system, and if one does not have anyplace to live, one winds up in a shelter.

Now, if one goes into a shelter and one sleeps in a big room with 200 or 300 people and one has no defense system, one picks up every disease in the world, so one then gets sick and winds up

back in the hospital. And every big city hospital in this country has had the experience of getting somebody with AIDS up and stabilized and ready to go out but knowing if they put them out of the hospital they will be back in in worse shape. That is what this program is really all about. We are not talking about people who have not served their country.

HOPWA really is a link between housing and health care. And if one looks at the numbers, one would say, well, AIDS is declining in this country; but, actually, the HIV infection rate in selected groups continues to rise. Tragically, that epidemic is increasing among the low-income communities where homelessness is a reality or it is one paycheck away.

HOPWA helps fund a variety of AIDS services throughout Washington State, not just in the district where I come from, but from the Sean Humphrey House in Bellingham in the district of the gentleman from Washington (Mr. METCALF); Three Cedars in Tacoma; the Tamarak House in Yakima, which is in the district of the gentleman from Washington (Mr. HASTINGS); and the Bailey Boushay House in my district. HOPWA is used by housing authorities in Spokane, Tacoma and Seattle. So it is distributed across our State; it is not just in the big cities.

Mr. Chairman, I have always been an advocate for the Nation's veterans, and it is critical that we ensure adequate health care and housing for them. However, cutting the one is the wrong way to get the other.

Mr. Chairman, I urge my colleagues to vote against the Hilleary amendment.

The CHAIRMAN. The question is on the amendment of the gentleman from Tennessee (Mr. HILLEARY).

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. HILLEARY. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN. Pursuant to House Resolution 501, further proceedings on the amendment offered by the gentleman from Tennessee (Mr. HILLEARY) will be postponed.

Mr. DOOLEY of California. Mr. Chairman, I move to strike the last word.

I would like to engage the gentleman from California (Mr. LEWIS), chairman of the subcommittee, on a matter of importance to my district in the San Joaquin Valley of California.

The agricultural communities along Interstate 5 in the San Joaquin Valley face chronically high unemployment rates that are, in part, as a result of uncertain water supplies. A coordinated water resources management plan that makes the maximum use of available supplies must be a central feature of any environmental protection or economic development initiative in the arid Central Valley.

A partnership of public and private interests in the I–5 corridor has proposed a Water Resources Assessment Plan that will centralize information on the region's surface and groundwater supplies. This information will include assessments of water quality conditions, wetlands, riparian habitat and domestic industrial water needs.

I look forward to working with the chairman and the gentleman from Ohio (Mr. STOKES), the ranking member, and the conferees in trying to identify funding for this important effort.

Mr. LEWIS of California. Mr. Chairman, will the gentleman yield?

Mr. DOOLEY of California. I yield to the gentleman from California.

Mr. LEWIS of California. Mr. Chairman, I appreciate the comments of the gentleman from California (Mr. DOOLEY). I will be glad to work with him on this very worthy project and plan to talk with him between now and conference as well.

Mr. BEREUTER. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I take this time in order to engage in a colloquy with the chairman of the subcommittee and potentially with the ranking minority member.

Legislation was enacted in 1996 to amend the Safe Drinking Water Act and to inject more common sense into the process of testing and treating our Nation's drinking water. This Member is concerned, as a representative of the State that has the largest use of groundwater for its public water supplies by far in the Nation, with only 7 out of some 700 or 800 systems using any surface water. I am concerned that the Environmental Protection Agency's groundwater rule may be ignoring congressional intent. Specifically, the EPA may attempt to implement a rule which would result in enormous disinfection costs for small communities, but with no actual benefits to the citizens of those communities.

In recognition of the general good quality of our Nation's groundwater, the excellent existing State water quality protection programs, and the expense and other complications of unneeded treatment, not to mention questions about whether or not some of the treatment agents themselves are threatening the health, the Safe Drinking Water Act of 1996 provided the EPA with only the authority to promulgate regulations requiring disinfection as a treatment technique, as necessary, and I stress the words ''as necessary,'' for all public water systems using groundwater. Therefore, this Member would request that the chairman of the Subcommittee on VA, HUD and Independent Agencies of the Committee on Appropriations enter into a colloquy on this matter.

Mr. Chairman, is it the committee's intention that a small community using groundwater should not be subject to EPA-directed improvements unless the community's groundwater poses a genuine health risk?

Mr. LEWIS of California. Mr. Chairman, will the gentleman yield?

Mr. BEREUTER. I yield to the gentleman from California.

Mr. LEWIS of California. Mr. Chairman, yes, it is.

Mr. BEREUTER. Mr. Chairman, I thank the gentleman.

Is it also the committee's intention that EPA should work to develop a groundwater rule which gives the States adequate flexibility in developing preventive measures?

Mr. LEWIS of California. Mr. Chairman, let me say to the gentleman I appreciate his bringing this problem to my attention and the committee's attention. It is our intention to not only be responsive to that problem but to have as much flexibility as possible in dealing with those communities' problems.

Mr. BEREUTER. Mr. Chairman, I thank the gentleman. I would say to the distinguished gentleman I appreciate his clarification, and I appreciate the fact that the subcommittee's report language also addresses this subject.

Mr. LEWIS of California. Mr. Chairman, I appreciate my colleague's concern.

AMENDMENT OFFERED BY MR. BEREUTER

Mr. BEREUTER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BEREUTER:

Page 91, after line 3, insert the following:

SECTION 425. The Administrator of the Environmental Protection Agency, in consultation with the National Academy of Sciences, shall expedite a review of scientific literature concerning the health effects of copper in drinking water. The Administrator of the Environmental Protection Agency shall assemble a team of technical and policy experts from the Agency's Region 7 Office and headquarters to work with Nebraska state officials to help identify and clarify measures to meet requirements of the Copper Rule where central treatment of groundwater is not cost effective. The Administrator of the Environmental Protection Agency shall expedite clinical research studies regarding the health effects of copper in drinking water. The Environmental Protection Agency shall use the results of its review of scientific literature and clinical studies of the health effects of copper in drinking water to review the National Primary Drinking Water Standard for copper pursuant to section 1412(b)(9) of the Safe Drinking Water Act.

Mr. WAXMAN. Mr. Chairman, I reserve a point of order.

The CHAIRMAN. The gentleman from California (Mr. WAXMAN) reserves a point of order.

Mr. BEREUTER. Mr. Chairman, I understand that the gentleman is reserving a point of order, and this is straightforward legislating on an appropriation bill if it were to be accepted. I understand that fact.

I have two amendments filed, I would say to my colleagues on both sides of the aisle, that indeed are in order. One simply forbids the use of funds to implement the copper rule, and the other takes $15 million out of the administrator's office. Both are in order. I would prefer not to offer them.

I gave my colleagues some indication of why this is particularly important to my State. I want to tell my colleagues that the Republican Attorney General of Nebraska is filing or has filed a lawsuit on this issue. The Democratic governor is supporting that lawsuit and requesting relief for more than 60 communities in our State that are affected by the copper rule, and the entire Nebraska delegation in both Houses are very much involved in trying to find a solution to this issue.

In fact, I believe that the amendment offered here might well be acceptable to the EPA and to the appropriators and authorizers on both sides of the aisle as report language, but what the administrator wants to avoid is any kind of statutory direction, and I think that is what it comes down to on this amendment. But I do think it is better to have that statutory language than report language which seems sometimes to have little impact upon the Environmental Protection Agency. And I think I would say to my colleagues it is better to accept this amendment than having one of the two other amendments that are in order and which are not subject to a point of order.

Unfortunately, the EPA is moving forward in implementing a regulation, despite the lack of any convincing evidence of adverse health effects which would justify its current course of action. As a result, the current regulations will result in enormous costs for water systems across the country, even though it is unlikely to result in any health benefits.

Obviously, communities do not have unlimited financial resources, and money spent on compliance with the copper rule is money that cannot be spent for other necessary community needs. The costs are significant for all communities, especially the smaller ones. As a result, it is crucial that this rule be implemented only if it is supported by solid, objective and scientific research.

The EPA's current standard relies on what seems to be almost anecdotal evidence rather than scientific studies. For instance, one of the studies cited by the EPA involved nurses who became ill after consuming cocktails which were mixed and stored in corroded copper-lined containers. It is important to emphasize that this so-called copper problem is generally the result of the corrosion of copper household plumbing, rather than by copper in the community's water sources.

In addition, copper concentrations from plumbing result from water setting in copper pipes for many hours and the level drops dramatically after the tap has run for several seconds.

□ 1730

The commonsense solution to any potential problem related to copper concentrations from plumbing in the house is to have consumers simply run the faucet for less than a minute for the first time the water is used in the morning, and that eliminates the problem or reduces the copper level below the 1.3 or even below the 2.0, 3.0 milligrams per liter, whatever standard or copper action level you might wish to choose.

To help compensate for the dearth of scientific research on the issue of copper in drinking water, the Centers for Disease Control and Prevention were commissioned to conduct new and more comprehensive studies. One was conducted in Nebraska and the other in Delaware. The studies are expected to be published soon. They have not been peer-reviewed. That is the problem at this point.

The interim CDC report on the Nebraska study concluded that ''People were not experiencing G.I.,'' gastrointestinal, ''illness related to the level of copper in their drinking water, even though in 51 of the selected homes drinking water levels were greater than 2 times the EPA action level the year prior to the study.''

A similar study in Delaware which had even higher copper concentration levels also found that the water was safe for drinking. Correspondence from the EPA concerning the Delaware study acknowledges that ''Study results suggested no meaningful differences in the symptoms typically associated with copper toxicity between the control group, those not exposed to copper in drinking water, and the group with high copper levels of 5 milligrams per liter.''

That 5.0 level is much more than what is being proposed here by the EPA in the way of a copper action level—1.3 milligrams per bites. That is on the ''first draw sample.''

The EPA rule establishes an action level for copper and drinking water of 1.3 milligrams per liter. Yet our Canadian friends and the World Health Organization says it should be at 2.0. They also provided for a risk margin at that level, as well.

Copper in drinking water is generally caused by household plumbing, as I said, rather than water source. In addition, copper concentrations result from water setting in copper pipes for many hours, and the level drops dramatically after the tap has been run for several seconds.

I could give the Members some statistics about a number of our communities.

The CHAIRMAN. The time of the gentleman from Nebraska (Mr. BEREUTER) has expired.

(By unanimous consent, Mr. BEREUTER was allowed to proceed for 2 additional minutes.)

Mr. BEREUTER. Mr. Chairman, in one of our communities, a community of 23,000, the estimated initial cost would be $1 million for water treatment equipment, $250,000 per year for treatment. Unfortunately, it would result in no health benefits. That community has wells in 14 different locations. None of them are interconnected. There is no central point for decontamination, disinfection, or copper treatment. That is a very typical situation in our State. We are unique in that respect. We have the largest groundwater supply in the continent.

Although this Member is obviously most familiar with the problems in our communities, it is important to keep in mind that dozens of States will be affected by this rule. If Members have not heard from communities in their districts, they should expect in the near future to hear from them as the EPA pushes for enforcement.

This Member has had repeated contacts with the EPA on the issue dating back to 1993. Unfortunately, the EPA has resisted a commonsense approach, and this Member has come to the conclusion that Congress must act to correct the situation. This amendment does not go nearly as far as I would like, but it does require them to move ahead in consultation with the National Academy of Sciences to find a proper copper action level.

I want to thank the gentleman from Florida (Mr. BILIRAKIS) for his work and the work of his staff with me in trying to find some accommodation on this issue.

Mr. BILIRAKIS. Mr. Chairman, will the gentleman yield?

Mr. BEREUTER. I am pleased to yield to the gentleman from Florida.

Mr. BILIRAKIS. Mr. Chairman, I thank the gentleman for yielding.

As the gentleman knows, the original amendment that he is planning to offer was an amendment that I was prepared to oppose very, very strongly, because we, the majority and the minority, worked awfully hard for a long time to come up with the Safe Drinking Water Act, and now, just a short time afterward, it looked like attempts were made to change that.

But we have pointed that out to the gentleman, and we had tremendous cooperation in trying to work this out. Actually, the language we did work out would not have changed, because there was never any intent on our part to change, the Safe Drinking Water Act in any way whatsoever. It was just basically to focus on the fact that there is a problem in Nebraska in expediting a review, and asking the EPA to use the results of its review pursuant to the appropriate section of the Safe Drinking Water Act.

So whereas I suppose technically it is legislating on an appropriations bill, there is really no intent to do that, or to change the Safe Drinking Water Act in any way whatsoever.

Again, I appreciate the gentleman's understanding and cooperation. I would hope that the Environmental Protection Agency would see that we are focusing on this, even though we certainly do not intend to change the Act.

Mr. BEREUTER. I am pleased to have the gentleman's comments. I appreciate his assistance.

Mr. WAXMAN. Mr. Chairman, will the gentleman yield?

Mr. BEREUTER. I yield to the gentleman from California.

Mr. WAXMAN. Mr. Chairman, I thank the gentleman for yielding. I know the gentleman is trying to deal with a very real problem in the gentleman's State.

As I understand it, the language that the gentleman has worked out would be acceptable to the Administrator in the report of this legislation. But the Administrator is reluctant to have the precedent of having this language inserted in the statute itself.

The gentleman expressed his concern that perhaps the report language would not be taken seriously, and statutory language would be necessary to accomplish the goals. I would point out to the gentleman that if the Administrator is supporting this language——

The CHAIRMAN. The time of the gentleman from Nebraska (Mr. BEREUTER) has expired.

(By unanimous consent, Mr. BEREUTER was allowed to proceed for 2 additional minutes.)

Mr. WAXMAN. Mr. Chairman, will the gentleman yield?

Mr. BEREUTER. I yield to the gentleman from California.

Mr. WAXMAN. Mr. Chairman, as I understand it, the Administrator is willing to commit to follow the language that we would seek to have in the report. The gentleman has more assurance than simply report language, because the one to whom it is directed is promising to carry it out.

The subsequent point I want to make is that just last week, as we discussed this bill, we had a heated debate over whether the report language that I and others were trying to strike in the appropriations bill would be taken seriously and we had assurances from the Chairman of the Appropriations subcommittee that report language is not binding, but we were concerned that the report language would be intimidating to the EPA, and that we did not want that report language to go forward.

So my point to the gentleman is that I regret that I am going to have to make the point of order, but I would have hoped that this could have been in the report, and that the whole issue might have been avoided.

Mr. BEREUTER. Reclaiming my time, I thank the gentleman for his understanding of the concern that we have in our State. It is not our State alone, but we have a more severe problem with it, there is no doubt about it, because of our groundwater dependence and the corrosive impact of copper in the house pipes.

I would say to the gentleman, perhaps he could help this gentleman understand, since we are legislators, what the difficulty is in us legislating some advice on the kind of studies that are necessary, since we are not changing the copper standard, since we are only asking them to proceed at the same time with studies to be done in consultation with the National Academy of Sciences?

What is there about the precedent of having some statutory direction that is so offensive to the administrator?

Mr. WAXMAN. If the gentleman will continue to yield, I think the concern the Administrator has, and I think it is a legitimate one, is that if we start legislating on specific problems in appropriations bills——

The CHAIRMAN. The time of the gentleman from Nebraska (Mr. BEREUTER) has expired.

(By unanimous consent, Mr. BEREUTER was allowed to proceed for 1 additional minute.)

Mr. WAXMAN. Mr. Chairman, will the gentleman yield?

Mr. BEREUTER. I yield to the gentleman from California.

Mr. WAXMAN. Mr. Chairman, the concern is that once we have that precedent, we will have a never-ending series of small changes that people will try to make in our laws—whether it is the drinking water law or some other statutory environmental legislation.

So for that reason, there is this reluctance to accept this proposal offered as bill language.

Mr. BEREUTER. I thank the gentleman for his comments. I think we are in the business of making judgments as legislators over appropriate kinds of initiatives by Members trying to take the interest of their constituents to heart. If statutory direction is a bad idea, if it does damage in a national sense to priorities, then the gentleman has a right to object. That is his responsibility. I see no reason why that would happen in this instance.

Mr. LEWIS of California. Mr. Chairman, will the gentleman yield?

Mr. BEREUTER. I yield to the gentleman from California.

Mr. LEWIS of California. Mr. Chairman, if we were in a position of having this item considered as part of the report language, I could tell the gentleman that I would work directly with him between now and the time we go to conference to try to find a way, with our colleagues, to accommodate the gentleman's problem.

Mr. BEREUTER. I thank the gentleman. I know that he is sincere in this, but perhaps the gentleman himself knows that the entire Nebraska delegation has met with Ms. Browner and people under her in the last several weeks.

Mr. LEWIS of California. If the gentleman will yield further, I would mention to the gentleman that I believe the Senator from the gentleman's State is a member of the committee, and will be participating in the conference as well.

Mr. BEREUTER. I wish that was the case, but my senior Senator gave up his position to go to the Senate Finance Committee.

The CHAIRMAN. The time of the gentleman from Nebraska (Mr. BEREUTER) has expired.

(On request of Mr. WAXMAN, and by unanimous consent, Mr. BEREUTER was allowed to proceed for 1 additional minute.)

Mr. WAXMAN. Mr. Chairman, will the gentleman yield?

Mr. BEREUTER. I yield to the gentleman from California.

Mr. WAXMAN. Mr. Chairman, I want to join with the gentleman from California (Mr. LEWIS) in making my personal commitment to the gentleman as well that if we can work on this as report language, we will do everything that both of us can to make sure that the goals the gentleman wants are accomplished.

Mr. BEREUTER. Reclaiming my time, if the gentleman persists in his point of order and I proceed with what I think is necessary, I assume the gentleman's commitment is still there to work with me.

Mr. WAXMAN. I want to be as helpful as I possibly can.

Mr. BEREUTER. I thank the gentleman.

POINT OF ORDER

The CHAIRMAN. Does the gentleman from California (Mr. WAXMAN) insist upon his point of order?

Mr. WAXMAN. Yes, Mr. Chairman, I would insist on it.

The CHAIRMAN. The gentleman from California (Mr. WAXMAN) is recognized on his point of order.

Mr. WAXMAN. Mr. Chairman, I make a point of order against the amendment because it proposes to change existing law and constitutes legislation in an appropriations bill, and therefore violates clause 2 of rule XXI.

The rule states, in pertinent part, ''No amendment to a general appropriations bill shall be in order if changing existing law . . . .'' This amendment gives affirmative direction, and in effect imposes additional duties, modifies existing powers and duties, and I therefore ask that the amendment be considered out of order.

The CHAIRMAN. Are there other Members who wish to be heard on the point of order?

If not, the Chair is prepared to rule. The Chair finds that the amendment explicitly places several new duties on the administrator of the Environmental Protection Agency. As such, the amendment proposes to legislate on an appropriation bill, in violation of clause 2 of rule XXI. Accordingly, the point of order is sustained.

Mr. BROWN of California. Mr. Chairman, I move to strike the last word.

Mr. Chairman, my remarks here directly relate to the point of order and to other similar situations which have arisen during the course of this and other appropriation bills.

The rule with regard to legislating on an appropriation bill has been with us in the rules of the House for quite a long period of time. It was originally put there in order to distinguish between the role of the Committee on Appropriations and the rest of us peons who only serve on authorizing committees, and do not get a chance to do the heavy lifting that is involved in distributing the money, like the appropriators do.

I have frequently had reason to raise points of order about legislating on appropriation bills as it involved the work of my own committee. There has been a propensity to insert in appropriation bills funding for research projects which were not authorized, and a number of other things of that sort.

I did this to the point where I made myself obnoxious to my friends on the Committee on Appropriations for a period of several years, and I have ceased to pursue that as actively as I once did, because I began to recognize that there were many legitimate reasons why there should be or could be legislation on an appropriation bill.

The standards for what are the appropriate reasons for having legislation on an appropriation bill are extremely vague. I can think of a number of good reasons in my own case, and involving the Committee on Science, we have a problem getting the Senators to enact authorization bills, for example. That is because the Senate rules have allowed Members who serve on the Committee on Appropriations to also serve as chairmen of authorizing committees, something they cannot do in the House of Representatives.

These Senators have a very strong interest in doing things efficiently, so they do it on the appropriation bill and leave the authorizing bills sort of hanging out to dry over there in the Senate. This is not the way the system is supposed to work.

In the case of what is going on in most instances here in the House, authorizing on an appropriation bill constitutes the fastest and most efficient way to get action accomplished on something that needs to be accomplished or should be accomplished. I think that is a legitimate reason to have an exception to the rule, to have a waiver. These waivers, of course, are frequently granted by the Committee on Rules to include situations where there seems to be a good reason to have such a waiver. But there is, again, no standard as to when waivers will be granted.

Many of the amendments that we have considered here are an effort to legislate on an appropriation bill by Members of the House who are not appropriators, but they see an amendment to the appropriation bill as the fastest way to get action.

□ 1745

This was the case with the sleepwear amendment as I recall, and it comes up very often.

Now, there are cases in which waivers are not granted; and, of course, in that case any Member can raise a point of order against language in an appropriations bill and we end up with in some cases half or 75 percent of an appropriation bill being ''stick it'' and we go to conference with no House position. That is not sound legislation, it is not efficient, and we need to think this through.

Now, I am not proposing a solution, but I am saying that this matter has gotten to the point where I think at the beginning of the next session of Congress there ought to be responsible Members who look at the problem and come up with reasonable solutions, which might include having authorizing committees ask the appropriators to include legislative language on an appropriations bill in order to move something through the other body that needs to be moved. That would seem to be reasonable to me. It is completely different from what we do now, but I have found that the whole system works better when there is close cooperation between the authorizing committee and the Committee on Appropriations.

At the present time, that exists in some cases; it does not exist in other cases, and we need to regularize that. We need to have a regular order under which we can understand what is appropriate and what is not appropriate.

Mr. Chairman, I make this brief statement in order to alert my friends to the fact that if I am so blessed as to return to this great body I may propose such a change in the rules.

AMENDMENT NO. 29 OFFERED BY MR. SCARBOROUGH

Mr. SCARBOROUGH. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 29 offered by Mr. SCARBOROUGH:

At the end of the bill, insert after the last section (preceeding the short title) the following new section:

SEC.—. None of the funds made available in this Act may be used to carry out Executive Order 13083.

Mr. SCARBOROUGH. Mr. Chairman, President Clinton signed Executive Order 13083 on May 14, while out of the country, and we believe it is a serious affront to the Federalist framework established in the United States Constitution. It could potentially lead to the abuse of power by individual agencies as they attempt to interpret this Executive Order.

The order establishes broad, ambiguous, and we believe unconstitutional tests to justify Washington bureaucratic intervention in matters that are typically left to State and local communities. Neither the Constitution, the Bill of Rights, nor the Federalist Papers even remotely justify Executive Order 13083 or its expansion of Federal regulatory activity.

Back in 1987, President Ronald Reagan signed an Executive Order which this Executive Order reverses. In the Reagan Executive Order it stated, ''The constitutional relationship among sovereign governments, State and national, is formalized in and protected by the tenth amendment to the Constitution.''

President Reagan also said, ''It is my intention to curb the size and influence of the Federal establishment and to demand recognition of the distinction between the powers granted to the Federal Government and those reserved to the States or upon the People.''

Mr. LEWIS of California. Mr. Chairman, will the gentleman yield?

Mr. SCARBOROUGH. I yield to the gentleman from California.

Mr. LEWIS of California. Mr. Chairman, the gentleman and I have had a chance to discuss this amendment. I discussed it with the gentleman from Ohio (Mr. STOKES) as well. While we will need to massage this as we go towards conference, we are inclined at this point to accept the amendment.

Mr. SCARBOROUGH. Mr. Chairman, reclaiming my time, I thank the gentleman from California. And if no one is willing to object to it——

Mr. STOKES. Mr. Chairman, will the gentleman yield?

Mr. SCARBOROUGH. I yield to the gentleman from Ohio.

Mr. STOKES. Mr. Chairman, the amendment is also acceptable to us.

Mr. ARMEY. Mr. Chairman, I rise in support of the Scarborough amendment to curtail funding for Executive Order 13083, President Clinton's efforts to grab power from the states in the name of ''federalism.''

Ronald Reagan had it right. In 1987, President Reagan reaffirmed the principles of federalism—that powers not explicitly given to the federal government are reserved for the States and individuals.

The specifically enumerated federal powers that are designed to limit Washington's power is the very cornerstone of our fundamental liberties. It is at the heart of what the American people expect from Washington—respect for their rights to know what's best for them—without Washington interference.

Unless we preserve a healthy balance between the States and the federal government, we risk the creation of a government that is beyond control, one insulated from the will of the people. It is for that reason that our Constitution lays out enumerated powers of the federal government—powers given to it only by the people in the nation. It was the genius of the founders—a way to ensure that no leader pandered away the wealth and resources of the nation.

In fact, a central theme of our 1994 ''Contract with America'' was the return of power to the States and the revival of federalism. The nation responded, with overwhelming enthusiasm.

I was astonished to learn that on May 14th, President Clinton issued a new Executive Order that overturns Ronald Reagan's 1987 federalism Order and repudiates a principle so deeply held by all Americans.

I was pleased to read in today's Washington Post that OMB has decided it errored in its federalism executive order based on unanimous opposition from states, cities, and counties. I commend Chairman DAVID MCINTOSH for his hearing that demonstrated this opposition yesterday.

This amendment is still a valuable message to send the White House, and I commend the leadership of my colleague, JOE SCARBOROUGH.

I hope the committee will accept this amendment. I urge the committee, in the

strongest possible terms, to retain this amendment as they work with the Senate and come to a final resolution on this appropriation bill. Congress must also be clear in rejecting this effort by the Administration to change long-standing federalism principles.

Is there a more fundamental guarantee of liberty than this check on federal powers?

President Clinton's pronounced exceptions to federalism swallow up the principle with nearly one bite.

Paul Begala, one of President Clinton's advisors, in talking about President Clinton's increased use of Executive orders, was quoted as saying, ''Stroke of the Pen. Law of the Land. Kinda Cool.''

Kinda Cool, Mr. Begala? With a stroke of the pen, President Clinton undermined the foundations of federalism. With a stroke of the pen, he repudiated a time honored, fundamental principle that rules this nation. By a stroke of the pen he gave a green light to future unwarranted and unconstitutional national regulatory powers and actions. With a stroke of the pen, he may have done irreparable harm to individual rights and liberties.

As President Reagan would say—''Well, there they go again.''

President Clinton is starting to demonstrate a comfort level with an unprecedented use of executive branch powers—trying to effect policy without going through the regular, time-consuming legislative process, where the American people are represented, negotiations occur and laws are made.

The Wall Street Journal labeled this phenomenon on July 8th in their lead editorial, as ''King Clinton.'' The editorial says we are witnessing ''a Presidency that has attempted to build between itself and the other branches a kind of moat of nonaccountability. . . . If it receives subpoenas, it rejects them or files lawsuits against them. Raw background files on hundreds in the political opposition are summoned from the FBI. . . . If Congress balks, overleap it with whatever executive order is needed, to satisfy the courtier constituencies.'' The editorial goes on to say, [it is time for the Congress] ''to act as a check and balance on the assertion of the royal prerogatives.''

Executive Orders, Presidential Memorandums, Presidential Decision Directives and Proclamations can sometimes have tremendous policy impact on the nation, yet they do not require the approval of Congress. They do have the force of law. These legal tools are not mentioned in the Constitution, but have grown up based on the implied powers inherent in the grant of ''executive power'' to the President in Article 2, section 1. President Clinton seems bent on using his powers until someone says stop.

The federal courts have stopped this President from legislating through Executive orders before. Who recalls President Clinton's Executive Order to forbid government contractors from hiring permanent striker replacements? There, the courts found the President had overreached.

Who recalls the Federal ''land grab'' in Utah? 1.7 million acres—by ''presidential proclamation.''

What about the stroke of a pen addition of ''sexual orientation'' to federal anti-discrimination laws? All other ''protected categories'' were put into this Executive Order because Congress had passed a law for them—race, gender, ethnicity, religion, handicap, and age. Previous efforts along these lines were based on statute, not political pressure and pandering. If this is the right thing to do, let's do it the right way—through the legislative process, where the American people have a voice.

Then there is the dangerous manipulation or disregard of the Constitution's wording when it comes to the census, as President Clinton pursues a politically motivated concept of sampling, rather than actual counting of people. The Constitution is a restraint on government power, but not for this team in the White House.

Consider the many legal maneuvers we have seen from this White House—all in efforts to escape scrutiny. Using taxpayer funded lawyers oftentimes, this President is undermining executive branch accountability by invoking novel and frivolous constitutional privileges—with the ultimate effect of hiding the facts from the public.

Who can forget the attempt to escape questioning by the Paula Jones attorneys by the claim that this President was ''on duty,'' in accordance with the Soldiers and Sailors Relief Act? And, how can this President have such disrespect for the Secret Service that, instead of asking them to tell the truth, he seeks to establish a new ''protective function'' privilege, risking the making of bad law to save himself from potential embarrassment?

Who isn't appalled at the efforts by Clinton allies to intimidate political opponents or witnesses? Where is the outrage about the fact that we now know that this White House has an ''enemies list'' and that research on those enemies is bought and paid for by the President's lawyers?

In summary, Paul Begala may think this is ''kinda neat,'' but President Clinton is running roughshod over our Constitution.

As for the Congress, it is time to make a stand. There is an abuse of power occurring that can no longer be tolerated.

It is time for the Congress to say, ''enough is enough.'' In representing the American people, you and I are far too familiar with the fact that compromise and negotiation is difficult and slow—yet, it is the very hallmark of divided federal government. Lawmaking and the process of making laws occur here, Mr. President, not with the stroke of your pen.

A vote against the Scarborough amendment is a vote for another form of government; it is a vote against the Framers' vision of how we were to preserve our liberties.

I urge my colleagues to vote yes to affirm the federalism principles that Ronald Reagan articulated.

Mr. BARR of Georgia. Mr. Chairman, today I ask my colleagues to send a clear message to the White House that our venerable Constitution is alive and well, if not at 1600 Pennsylvania Avenue, at least here in the People's House. Especially, that the principles of the Tenth Amendment endure.

On May 14, from Great Britain, President Clinton issued Executive Order 13083 which completely undercuts the notion of federalism that forms the basis of our entire system of government. This Executive Order deeply undermines, if not obliterates, the Tenth Amendment to the United States Constitution.

Congress must stop the White House by responding aggressively and quickly. Blocking this unconstitutional Executive Order on federalism is essential. If we fail to act by August 12, 1998, the Order will go into effect; no ifs ands or buts; and regardless of what promises or platitudes are issued by the Administration.

As most of us are aware, in 1987, President Ronald Reagan issued Executive Order 12612, reaffirming the principles of federalism and the powers reserved to states and individuals as outlined in the Tenth Amendment.

Ronald Reagan's Executive Order which is explicitly repealed by President Clinton, detailed that the federal government was given few, limited, and enumerated powers. Reagan's Executive Order served as a limitation on Executive Agencies, not an accelerant on their work, as proposed in President Clinton's order.

In the Constitution the Framers granted specific federal powers, and outlined when the government legitimately may exercise its authority.

They did not intend the federal government to exercise authority over the states, local communities, and the people except in very limited and clearly delineated circumstances, such as a national currency, or customs matters.

The Executive Order which will in effect have the force of law if we don't stop it, lists several, all-encompassing ''exceptions'' under which the powers of the states and the people could be abrogated by any federal agency at any time; ignoring and overriding the Tenth Amendment.

Some individuals, I presume we will hear from today, will argue this Executive Order constitutes nothing more than the President's opinion and does not carry the force of law. These individuals are wrong.

Congess must stop the Clinton Administration practice by responding aggressively and quickly. This amendment today will be the first step to block this unconstitutional Executive Order on federalism.

This reflects a systematic, very conscious political plan by this Administration. A recent New York Times article noted that some of President Clinton's ''closest advisers deeply pessimistic about the chances of getting major legislation passed during the rest of the year, Mr. Clinton plans to issue a series of executive orders to demonstrate that he can still be effective.''

The President's recent actions raise a bright crimson flag signaling just what he thinks of the office of the President.

I have already heard from hundreds of individuals from around the country, outraged over this Executive Order.

It is time for this Congress to focus the political issues for the public. Today we take the first step to bring back the Framers' principles of checks and balances.

This is not a theoretical debate. The consequences of our failure to act will be real, immediate, and continuing; from taxes levied by federal agencies with no congressional authorization, to international agreements being forced on state and local governments without any advise and consent by the Senate.

The Clinton Administration believes power should be given to, taken by, and retained in Washington. They believe in a top-down governing structure—not the bottom-up structure clearly envisioned by our Founding Fathers and by many of us in this Chamber. Power comes from the individual not the Federal Government.

I rise in support of the Gentleman from Florida's amendment and ask my colleagues to support this important issue.

Mr. MCINTOSH. Mr. Chairman, I was outraged by President Clinton's recent Executive Order (E.O.) 13083 which revoked President Reagan's historic Executive Order on Federalism issued in 1987. President Reagan's order provided many protections for and reflected great deference to State and local governments.

By stark contrast, President Clinton's order, issued without prior consultation with State and local governments, betrays and repudiates an 11-year tradition of trust and mutual consultation between the States and the Federal Government. In its place, President Clinton's order lays the groundwork for an unprecedented Federal power grab in virtually every area of policy previously reserved to the States under the Tenth Amendment.

On June 8, I wrote President Clinton that ''I could not understand how you, as a former Governor, could willingly abandon the protections accorded the states since 1987 from unwarranted federal regulatory burdens.'' Prior to the new order's revocation, there were ''important constraints on federal regulatory power by requiring a minimum of federal intrusion and substantial deference to state governance. With E.O. 13083, you have swept away these limitations on the power of the federal government.'' I stated my belief that the bottom line is that the new order would wreak havoc on the balance of power envisioned by the Constitution between the States and the Federal Government.

On June 10, my subcommittee called the National Governors' Association (NGA) to ascertain NGA's views of the new executive order. Shockingly, NGA's Executive Director was totally unaware of the order. NGA learned about it first from my staff!

Apparently, the Clinton-Gore White House had neither consulted with any of the seven principal State and local interest groups prior to issuance of the new order nor notified them about it after its issuance. The way they went about this executive order belies any claim that the Clinton Administration intends to consult with State and local governments.

On July 17, leadership of ''the Big 7''—the governors, the state legislatures, the cities, the counties, the mayors, the city/county managers, and council of State governments—wrote the President requesting that the new order be withdrawn. They wrote ''we feel that Executive Order 13083 so seriously erodes federalism that we must request its withdrawal,'' which should occur ''as quickly as possible.''

Although the President has agreed ''to delay implementation of the Executive Order . . . and to make changes where appropriate,'' at this point, frankly, there is no change that will repair the damage to the President's credibility that has resulted from the stealth issuance of this order.

It takes a lot of nerve for a president, while out of the country, to issue an order that completely reverses an 11-year commitment to the States and gives federal regulators sweeping new justifications for interfering with State affairs, but giving the States: no advance notice of the order; no opportunity to comment; and no voice in a decision that will drastically upset the constitutional balance of power between the States and the federal government.

In this climate of bad faith, the States are extremely reluctant to entrust their social, moral, and financial destiny to an Administration that governs by midnight decrees issued on the fly.

Yesterday, I chaired a hearing to examine (1) the potential impacts of President Clinton's Executive Order on Federalism on State and local governments and (2) the need for a possible legislative solution to address the concerns of State and local governments. This hearing allowed key State and local elected officials to voice their concerns and former and current Administration officials to express the rationales for their Federalism executive orders.

To ensure that the States' constitutional rights and protections are guaranteed, the only sure path at this stage is to enshrine the principles of Federalism in law and not leave them to the President's whim. By repealing the protections afforded in earlier executive orders issued by President Reagan and reaffirmed by this President, President Clinton has demonstrated that he cannot be trusted to defend the States against an ever-expanding federal bureaucracy. Congress must take responsibility and pass new legislation that will codify federalism principles.

Vote yes on the Scarborough amendment.

Mr. DELAHUNT. Mr. Chairman, I rise in strong opposition to the amendment.

I happen to support the San Francisco policy. I believe that companies should provide benefits to the domestic partners of their employees. And I think it is reasonable for a local jurisdiction to choose to award county contracts to companies whose practices conform to local civil rights policies.

But it really doesn't matter what I think about this policy, or any other * * * you think about it. The only opinion that matters is the opinion of the citizens of San Francisco.

With all due respect to the gentleman from California, where did he get the idea that Congress has the right to step in and nullify the contracting decisions made by locally-elected leaders?

This Congress has told local governments what to do about a lot of things. We have used federal grants to dictate local policies regarding abortion and contraception, educational standards, and juvenile crime. The list goes on and on.

Whatever one may think about these federal mandates, most of them can claim at least some tenuous connection to the national interest.

But what possible national purpose can we have in telling the County of San Francisco how to award its contracts? Next, we'll be placing street lights and directing traffic.

I think that if members of Congress want to try their hand at local government, they should run for mayor. Otherwise, they should content themselves with governing the country.

We have no authority to tell the people of San Francisco—or any other locality—whom they should select to perform their public contracts. I know of no legitimate national interest that can justify this kind of incursion into state and local prerogatives.

Many groups, including the National Association of Counties, have expressed alarm over this amendment. It is a feeling we all should share.

Let's defeat this outrageous amendment, and get back to the business we were sent here to do.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Florida (Mr. SCARBOROUGH).

The amendment was agreed to.

Mr. FRANK of Massachusetts. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I did not want to interfere with the progress of the gentleman from Florida (Mr. SCARBOROUGH), but I did want to underline the significance of this to Members.

As I understand it, we have now adopted an amendment that acts against the President's Federalism order. That is relevant, because I have been told, by looking at the work of the Committee on Rules, that when we do the Commerce, Justice, State appropriation, an amendment will be offered by the gentleman from Colorado (Mr. HEFLEY) which would cancel an Executive Order involving the civil service and discrimination and will also include this.

So I do want to make it clear now to Members that having adopted this amendment today, which cancels the Federalism order, when the vote comes on the amendment of the gentleman from Colorado which deals with sexual orientation and the executive branch, it will have a part dealing with Federalism which will be moot. That is, the Federalism part of that amendment, of the Hefley amendment, will now not mean anything. So the Hefley amendment is now back to its original form before it was transmogrified by the Committee on Rules.

Thus, and I want to stress this again because it did get a little complicated, it is a little late, people may be getting low blood sugar and may not be paying attention, we now have adopted an amendment which, to the extent that we can, cancels the President's Federalism order. I was not in favor of that. I tried to yell loud, but nobody heard me.

On the other hand, what it means is that when the Hefley amendment comes before us, even though it will purport to deal both with the question of sexual orientation in the Executive Order on the civil service and with anti-Federalism, it will in fact be solely on sexual orientation, because the Federalism part will be redundant and it will, therefore, have no role whatsoever in the debate.

Mr. OBEY. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I do this as a courtesy to the House to give plenty of notice as to what my motion to recommit will be, if we ever get to that point tonight.

Let me explain briefly what it will be. There are provisions in this bill which, in essence, prevent the Consumer Product Safety Commission from enforcing new regulations with respect to fire retardant furniture. Language was adopted to this bill which will prohibit the enforcement of provisions that are designed to protect people from flammable furniture. So I will simply be offering a motion to strike the sentence beginning on line 7

on page 55 and strike section 425 of the bill.

Mr. Chairman, I will be doing this, frankly, because I think this proposal in the bill is masquerading under false pretenses. Supporters of the provision in the bill will be saying, well, what is more reasonable than simply providing more time for the study of the matter before the Consumer Product Safety Commission can take up a new rule?

What I think would be more reasonable is that we quit allowing lawyers to jerk this Congress around and get to the point of actually protecting the public from a serious safety hazard.

I want to say, Mr. Chairman, this is going on governmentwide, whether we are talking about consumer products and pajamas for children, or whether we are talking about flammable furniture, or whether we are talking about OSHA in its efforts to try to protect workers from repetitive motion injuries. In each case, we have got smart law firms in this town who put together a case on behalf of their clients. They go to a friendly Member of Congress or a friendly committee or a friendly Chamber of the Congress, and they say, ''Boys and girls, why don't you help us out? Shield us from regulatory action.''

Well, when we shield them from regulatory action, we really expose the general public and workers in this country to dangerous products, dangerous work facilities, and the result is injured workers, the result is injured children, and in some cases we have the death of children and the death of consumers.

So, Mr. Chairman, it just seems to me that this Congress is going to have to make a choice. We are either going to stand with the law firms that advocate for these special interests or we are going to stand for the public that we are supposed to represent.

So, I will be offering that motion at the proper time and wanted to give the House notice of that fact now.

Mr. BEREUTER. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I have an amendment Number 20 which would stop the promulgation of the copper rule. I am not going to offer it, because of my concern of what it would do in some places where the copper rule needs to be applied.

I have heard the assurances of the gentleman from California (Mr. WAXMAN) and the gentleman from Florida (Mr. BILIRAKIS) and the gentleman from California (Chairman LEWIS) of the appropriations subcommittee, and I take those assurances for cooperation. And next year, I will be back to cut the $15 million out of the administrator's office, a very tempting target, if necessary.

Mr. MCINTOSH. Mr. Chairman, I move to strike the last word.

Mr. Chairman, very quickly, the language of this bill on the Kyoto Protocol was wonderful. I wanted to engage in a quick colloquy with its author, the gentleman from Michigan (Mr. KNOLLENBERG), about a couple of the provisions in that language.

Mr. Chairman, I would ask the gentleman, do those activities include drafting, preparing, or developing rules, orders or decrees, or work such as preparing notices or other language or studies that would be used to justify rules, orders, or decrees that would implement the Kyoto Protocol?

Mr. KNOLLENBERG. Mr. Chairman, if the gentleman would yield, the gentleman is correct.

Mr. MCINTOSH. Mr. Chairman, would this language also prohibit the finalization of any rules——

POINT OF ORDER

Mr. OBEY. Mr. Chairman, I have a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. OBEY. Mr. Chairman, we did not hear that exchange. I would like to have the question repeated.

The CHAIRMAN. The gentleman is correct. If the Committee would be in order, the gentleman from Wisconsin (Mr. OBEY) and all gentlemen and gentlewomen deserve the opportunity to be heard.

If the gentleman from Indiana (Mr. MCINTOSH) would repeat the question.

Mr. MCINTOSH. Mr. Chairman, the question was: Do those activities regarded in the Knollenberg amendment include drafting, preparing, or developing rules, orders, or decrees, or work such as preparing notices other language or studies that would be used to justify rules, orders, or other decrees that would implement the Kyoto Protocol?

Mr. KNOLLENBERG. Yes, those regulatory activities would be precluded.

Mr. MCINTOSH. Mr. Chairman, would this language also prohibit the finalization of any rules, regulations, or orders implementing the Kyoto Protocol prior to Senate ratification, whether or not authorized by current law?

Mr. KNOLLENBERG. Mr. Chairman, yes; and when and if the protocol were ratified after full and open discussion by the Senate, these provisions would be void.

Mr. MCINTOSH. Mr. Chairman, I would ask what this funding restriction would not do. Does it limit funding for balanced education activities that are not propaganda advocacy or lobbying?

Mr. KNOLLENBERG. No, it does not.

Mr. MCINTOSH. Mr. Chairman, what about legitimate climate science and research and development activities?

Mr. KNOLLENBERG. Mr. Chairman, I would tell the gentleman that those activities are still funded and encouraged. In fact, we have increased funding for the global climate change research account within this bill by $10 million.

Mr. MCINTOSH. What about existing programs and ongoing activities to carry out the United States voluntary commitments under the 1992 Climate Change Convention?

Mr. KNOLLENBERG. The United States will live up to its commitments.

Mr. MCINTOSH. So what we are really talking about here is just stopping action by EPA to implement the protocol prior to ratification, not legitimate programs or education or research?

Mr. KNOLLENBERG. Mr. Chairman, the gentleman again is correct. And we have good reason to be concerned about EPA's back-door regulatory actions. EPA has repeatedly sought to expand its authority to restrict greenhouse gas emissions where no such authority exists.

Mr. MCINTOSH. We cannot allow EPA to circumvent our constitutional process through such action.

Mr. KNOLLENBERG: I agree. The Kyoto Protocol is a flawed treaty. Our only safeguard against a flawed treaty is our constitutional process.

Mr. MCINTOSH. Mr. Chairman, the language of the gentleman from Michigan is crucial to prevent back-door regulatory implementation. I thank the gentleman for bringing it.

Mr. KNOLLENBERG. Mr. Chairman, I rise to thank my colleagues, Representatives OBEY and MCINTOSH, for their discussions on the House floor regarding the fine line between education and advocacy efforts conducted by the Environmental Protection Agency (EPA). I have ongoing concerns that some of the EPA's education activities at times crossed that line and became advocacy efforts.

Mr. OBEY offered an apt description of education when he explained to Mr. MCINTOSH during the debate over his amendment, and that his amendment clarifying the DPA's ability to conduct educational outreach was meant to allow only those activities that were objective in nature and presented both sides of the issue in a factual manner.

In my view, much of the EPA's past problems have stemmed from its inability to present information in an objective and balanced manner. If information is presented without allowing the airing of both sides, it ceases to be education, and becomes advocacy. There is a fine line between education and advocacy, and the EPA must recognize this distinction and refrain from crossing this line.

So, I thank the gentleman from Wisconsin for helping me to make this very important point. It is my hope that the Obey amendment will help clarify what is the necessary role of the Administration, and compel the EPA to promote balance and objectivity in all its future activities.

Mr. WAXMAN. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I listened carefully to the colloquy that just took place and I want to point out that that colloquy may reflect the views of the two gentlemen who entered into it, but I do not think they accurately reflect the views of the House.

□ 1800

Last week the House adopted an amendment to the Knollenberg language that came out of the Committee on Appropriations, an amendment offered by the gentleman from Wisconsin (Mr. OBEY). The Obey amendment made it quite clear that the EPA would not be precluded from doing studies and

educational efforts, that the House did not want the Knollenberg language to be interpreted so narrowly, and so I do not know whether that colloquy was an attempt to make some legislative history, but I just want to use this opportunity to point out that I do not think it reflects the views of the House.

Mr. OBEY. Mr. Chairman, will the gentleman yield?

Mr. WAXMAN. I yield to the gentleman from Wisconsin.

Mr. OBEY. Mr. Chairman, let me simply say that the only use of any colloquy, if they have any use at all, is to explain legislative history. If readers of the RECORD want to know what the legislative history is, they need to read more than the comments of two Members of the Congress who agree with each other, who get up for 2 minutes and think that they have taken a public opinion poll.

The fact is that the Knollenberg amendment has been modified by the Obey amendment, and it seems to me that there is no accurate description of what that amendment means, as amended, unless all parties to the action actually have a consensus.

Mr. WAXMAN. Reclaiming my time, Mr. Chairman, I would point out that the gentleman is absolutely correct. I do not think that the Knollenberg language, as amended by the gentleman from Wisconsin (Mr. OBEY) would preclude the EPA from developing any information they need to permit an adequate ratification debate and to express their views on such a debate on behalf of the administration.

Mr. MCINTOSH. Mr. Chairman, will the gentleman yield?

Mr. WAXMAN. I yield to the gentleman from Indiana.

Mr. MCINTOSH. Mr. Chairman, let me say it certainly was not my intention and the intention of the gentleman from Michigan (Mr. KNOLLENBERG) to modify the legislative intent as expressed by this body with the Obey amendment. There was much debate during that time about those activities that would be allowed and the difficulty of defining the line and when it became advocacy.

I think the debate that we had on the House floor the other night, the gentleman is correct, accurately reflects the legislative history regarding that amendment, and that is incorporated into the Knollenberg amendment.

We were merely exploring other provisions, not intending to rewrite any of the legislative history regarding the Obey amendment.

Mr. WAXMAN. Mr. Chairman, I thank the gentleman for his clarification. I do want to point out that some of the colloquy that I heard reflected his individual views, and it did not reflect how I interpret Knollenberg language, as amended by Obey, and should not be used for any legal interpretation of the Knollenberg amendment as so modified.

SEQUENTIAL VOTES POSTPONED IN COMMITTEE OF THE WHOLE

The CHAIRMAN. Pursuant to House Resolution 501, proceedings will now resume on those amendments on which further proceedings were postponed in the following order:

Amendment No. 5 offered by the gentleman from Indiana (Mr. ROEMER); amendment No. 22 offered by the gentleman from New York (Mr. HINCHEY); amendment No. 32 offered by the gentleman from Tennessee (Mr. HILLEARY).

AMENDMENT NO. 5 OFFERED BY MR. ROEMER

The CHAIRMAN. The unfinished business is the demand for a recorded vote on the amendment offered by the gentleman from Indiana (Mr. ROEMER) on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will redesignate the amendment.

The text of the amendment is as follows:

Amendment No. 5 offered by Mr. ROEMER:

Page 72, line 15, strike ''$5,309,000,000'' and insert ''$3,709,000,000''.

RECORDED VOTE

The CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The CHAIRMAN. Pursuant to House Resolution 501, the Chair announces that he will reduce to a minimum of 5 minutes the period of time within which a vote by electronic device will be taken on each amendment on which the Chair has postponed further proceedings.

The vote was taken by electronic device, and there were—ayes 109, noes 323, not voting 2, as follows:

[Roll No. 345]

AYES—109

Barrett (WI)	Hoekstra	Obey
Bass	Holden	Owens
Bateman	Inglis	Pallone
Bereuter	Kanjorski	Paul
Berry	Kaptur	Paxon
Blagojevich	Kelly	Payne
Blumenauer	Kennedy (MA)	Pelosi
Brown (OH)	Kildee	Peterson (MN)
Camp	Kind (WI)	Pomeroy
Carson	Kingston	Porter
Chabot	Kleczka	Portman
Christensen	Klug	Poshard
Coble	LaFalce	Ramstad
Coburn	Largent	Rivers
Conyers	Latham	Roemer
Costello	Lazio	Roukema
Coyne	Leach	Sanders
Danner	Lee	Sanford
DeFazio	Levin	Schaffer, Bob
Delahunt	LoBiondo	Schumer
Dingell	Lowey	Shays
Doyle	Luther	Shuster
Duncan	Maloney (NY)	Slaughter
Ensign	Manzullo	Smith (MI)
Evans	Markey	Stark
Fossella	McHugh	Strickland
Frank (MA)	McInnis	Stupak
Franks (NJ)	Meehan	Tierney
Ganske	Miller (CA)	Upton
Goode	Minge	Velazquez
Goodlatte	Mink	Vento
Goodling	Moakley	Visclosky
Gutierrez	Myrick	Wamp
Hamilton	Nadler	Woolsey
Hefley	Neumann	Yates
Herger	Nussle	
Hilleary	Oberstar	

NOES—323

Abercrombie	Armey	Barcia
Ackerman	Bachus	Barr
Aderholt	Baesler	Barrett (NE)
Allen	Baker	Bartlett
Andrews	Baldacci	Barton
Archer	Ballenger	Becerra
Bentsen	Gordon	Norwood
Berman	Goss	Olver
Bilbray	Graham	Ortiz
Bilirakis	Granger	Oxley
Bishop	Green	Packard
Bliley	Greenwood	Pappas
Blunt	Gutknecht	Parker
Boehlert	Hall (OH)	Pascrell
Boehner	Hall (TX)	Pastor
Bonilla	Hansen	Pease
Bonior	Harman	Peterson (PA)
Bono	Hastert	Petri
Borski	Hastings (FL)	Pickering
Boswell	Hastings (WA)	Pickett
Boucher	Hayworth	Pitts
Boyd	Hefner	Pombo
Brady (PA)	Hill	Price (NC)
Brady (TX)	Hilliard	Pryce (OH)
Brown (CA)	Hinchey	Quinn
Brown (FL)	Hinojosa	Radanovich
Bryant	Hobson	Rahall
Bunning	Hooley	Rangel
Burr	Horn	Redmond
Burton	Hostettler	Regula
Buyer	Houghton	Reyes
Callahan	Hoyer	Riggs
Calvert	Hulshof	Riley
Campbell	Hunter	Rodriguez
Canady	Hutchinson	Rogan
Cannon	Hyde	Rogers
Capps	Istook	Rohrabacher
Cardin	Jackson (IL)	Ros-Lehtinen
Castle	Jackson-Lee (TX)	Rothman
Chambliss	Jefferson	Roybal-Allard
Chenoweth	Jenkins	Royce
Clay	John	Rush
Clayton	Johnson (CT)	Ryun
Clement	Johnson (WI)	Sabo
Clyburn	Johnson, E. B.	Salmon
Collins	Johnson, Sam	Sanchez
Combest	Jones	Sandlin
Condit	Kasich	Sawyer
Cook	Kennedy (RI)	Saxton
Cooksey	Kennelly	Scarborough
Cox	Kilpatrick	Schaefer, Dan
Cramer	Kim	Scott
Crane	King (NY)	Sensenbrenner
Crapo	Klink	Serrano
Cubin	Knollenberg	Sessions
Cummings	Kolbe	Shadegg
Cunningham	Kucinich	Shaw
Davis (FL)	LaHood	Sherman
Davis (IL)	Lampson	Shimkus
Davis (VA)	Lantos	Sisisky
Deal	LaTourette	Skaggs
DeGette	Lewis (CA)	Skeen
DeLauro	Lewis (GA)	Skelton
DeLay	Lewis (KY)	Smith (NJ)
Deutsch	Linder	Smith (OR)
Diaz-Balart	Lipinski	Smith (TX)
Dickey	Livingston	Smith, Adam
Dicks	Lofgren	Smith, Linda
Dixon	Lucas	Snowbarger
Doggett	Maloney (CT)	Snyder
Dooley	Manton	Solomon
Doolittle	Martinez	Souder
Dreier	Mascara	Spence
Dunn	Matsui	Spratt
Edwards	McCarthy (MO)	Stabenow
Ehlers	McCarthy (NY)	Stearns
Ehrlich	McCollum	Stenholm
Emerson	McCrery	Stokes
Engel	McDade	Stump
English	McDermott	Sununu
Eshoo	McGovern	Talent
Etheridge	McHale	Tanner
Everett	McIntosh	Tauscher
Ewing	McIntyre	Tauzin
Farr	McKeon	Taylor (MS)
Fattah	McKinney	Taylor (NC)
Fawell	McNulty	Thomas
Fazio	Meek (FL)	Thompson
Filner	Meeks (NY)	Thornberry
Foley	Menendez	Thune
Forbes	Metcalf	Thurman
Ford	Mica	Tiahrt
Fowler	Millender-McDonald	Torres
Fox	Miller (FL)	Towns
Frelinghuysen	Mollohan	Traficant
Frost	Moran (KS)	Turner
Furse	Moran (VA)	Walsh
Gallegly	Morella	Waters
Gejdenson	Murtha	Watkins
Gekas	Neal	Watt (NC)
Gephardt	Nethercutt	Watts (OK)
Gibbons	Ney	Waxman
Gilchrest	Northup	Weldon (FL)
Gillmor		Weldon (PA)
Gilman		Weller

Wexler
Weygand
White
Whitfield
Wicker
Wilson
Wise
Wolf
Wynn
Young (AK)

NOT VOTING—2

Gonzalez
Young (FL)

□ 1823

Messrs. SAXTON, JACKSON of Illinois, CRAPO, Ms. GRANGER and Mr. NEY changed their vote from ''aye'' to ''no''.

Mrs. MYRICK, Mr. MARKEY, Mr. STARK and Ms. KAPTUR changed their vote from ''no'' to ''aye.''

So the amendment was rejected.

The result of the vote was announced as above recorded.

AMENDMENT NO. 22 OFFERED BY MR. HINCHEY

The CHAIRMAN. The pending business is the demand for a recorded vote on the amendment offered by the gentleman from New York (Mr. HINCHEY) on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The CHAIRMAN. This is a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 146, noes 285, not voting 3, as follows:

[Roll No. 346]

AYES—146

Ackerman
Allen
Andrews
Baldacci
Barcia
Barrett (WI)
Bass
Bereuter
Boehlert
Bonior
Borski
Boswell
Brady (PA)
Brown (OH)
Camp
Castle
Conyers
Costello
Coyne
Crane
Davis (IL)
Delahunt
DeLauro
Doyle
Ehlers
Engel
English
Ewing
Fattah
Fawell
Forbes
Ford
Fossella
Fox
Frank (MA)
Franks (NJ)
Frelinghuysen
Ganske
Gejdenson
Gekas
Gilman
Goodling
Greenwood
Gutierrez
Hastert
Hinchey
Hoekstra
Holden
Houghton
Hulshof
Hyde
Jackson (IL)
Johnson (CT)
Johnson (WI)
Kanjorski
Kelly
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kilpatrick
Kind (WI)
King (NY)
Kingston
Kleczka
Klink
LaFalce
LaHood
Latham
Lazio
Leach
Levin
Lipinski
LoBiondo
Lowey
Maloney (CT)
Maloney (NY)
Manton
Manzullo
Markey
Mascara
McCarthy (MO)
McCarthy (NY)
McDade
McGovern
McHale
McHugh
McIntosh
McNulty
Meehan
Meeks (NY)
Menendez
Moakley
Mollohan
Murtha
Nadler
Neal
Neumann
Nussle
Oberstar
Obey
Olver
Owens
Pallone
Pappas
Pascrell
Paxon
Payne
Peterson (PA)
Petri
Pitts
Porter
Poshard
Quinn
Rangel
Rivers
Roemer
Rothman
Roukema
Rush
Sanders
Saxton
Schumer
Sensenbrenner
Serrano
Shays
Shimkus
Shuster
Slaughter
Smith (MI)
Smith (NJ)
Solomon
Souder
Stabenow
Stupak
Sununu
Tierney
Towns
Upton
Visclosky
Walsh
Weldon (PA)
Weller
Weygand
Wise
Yates

NOES—285

Abercrombie
Aderholt
Archer
Armey
Bachus
Baesler
Baker
Ballenger
Barr
Barrett (NE)
Bartlett
Barton
Bateman
Becerra
Bentsen
Berman
Berry
Bilbray
Bilirakis
Bishop
Blagojevich
Bliley
Blumenauer
Blunt
Boehner
Bonilla
Bono
Boucher
Boyd
Brady (TX)
Brown (CA)
Brown (FL)
Bryant
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Campbell
Canady
Cannon
Capps
Cardin
Carson
Chabot
Chambliss
Chenoweth
Christensen
Clay
Clayton
Clement
Clyburn
Coble
Coburn
Collins
Combest
Condit
Cook
Cooksey
Cox
Cramer
Crapo
Cubin
Cummings
Cunningham
Danner
Davis (FL)
Davis (VA)
Deal
DeFazio
DeGette
DeLay
Deutsch
Diaz-Balart
Dickey
Dicks
Dingell
Dixon
Doggett
Dooley
Doolittle
Dreier
Duncan
Dunn
Edwards
Ehrlich
Emerson
Ensign
Eshoo
Etheridge
Evans
Everett
Farr
Fazio
Filner
Foley
Fowler
Frost
Furse
Gallegly
Gephardt
Gibbons
Gilchrest
Gillmor
Goode
Goodlatte
Gordon
Goss
Graham
Granger
Green
Gutknecht
Hall (OH)
Hall (TX)
Hamilton
Hansen
Harman
Hastings (FL)
Hastings (WA)
Hayworth
Hefley
Hefner
Herger
Hill
Hilleary
Hilliard
Hinojosa
Hobson
Hooley
Horn
Hostettler
Hoyer
Hunter
Hutchinson
Inglis
Istook
Jackson-Lee (TX)
Jefferson
Jenkins
John
Johnson, E. B.
Johnson, Sam
Jones
Kaptur
Kasich
Kim
Klug
Knollenberg
Kolbe
Kucinich
Lampson
Lantos
Largent
LaTourette
Lee
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
Livingston
Lofgren
Lucas
Luther
Martinez
Matsui
McCollum
McCrery
McDermott
McInnis
McIntyre
McKeon
McKinney
Meek (FL)
Metcalf
Mica
Millender-McDonald
Miller (CA)
Miller (FL)
Minge
Mink
Moran (KS)
Moran (VA)
Morella
Myrick
Nethercutt
Ney
Northup
Norwood
Ortiz
Oxley
Packard
Parker
Pastor
Paul
Pease
Pelosi
Peterson (MN)
Pickering
Pickett
Pombo
Pomeroy
Portman
Price (NC)
Pryce (OH)
Radanovich
Rahall
Ramstad
Redmond
Regula
Reyes
Riggs
Riley
Rodriguez
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Roybal-Allard
Royce
Ryun
Sabo
Salmon
Sanchez
Sandlin
Sanford
Sawyer
Scarborough
Schaefer, Dan
Schaffer, Bob
Scott
Sessions
Shadegg
Shaw
Sherman
Sisisky
Skaggs
Skeen
Skelton
Smith (OR)
Smith (TX)
Smith, Adam
Smith, Linda
Snowbarger
Snyder
Spence
Spratt
Stark
Stearns
Stenholm
Stokes
Strickland
Stump
Talent
Tanner
Tauscher
Tauzin
Taylor (MS)
Taylor (NC)
Thomas
Thompson
Thornberry
Thune
Thurman
Tiahrt
Torres
Traficant
Turner
Vento
Wamp
Waters
Watkins
Watt (NC)
Watts (OK)
Waxman
Weldon (FL)
Wexler
White
Whitfield
Wicker
Wilson
Wolf
Woolsey
Wynn
Young (AK)

NOT VOTING—3

Gonzalez
Velazquez
Young (FL)

□ 1832

Messrs. CLAY, KUCINICH and CHAMBLISS changed their vote from ''aye'' to ''no.''

Mr. EHLERS changed his vote from ''no'' to ''aye.''

So the amendment was rejected.

The result of the vote was announced as above recorded.

AMENDMENT NO. 32 OFFERED BY MR. HILLEARY

The CHAIRMAN. The pending business is the demand for a recorded vote on the amendment offered by the gentleman from Tennessee (Mr. HILLEARY) on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The CHAIRMAN. This is a five-minute vote.

The vote was taken by electronic device, and there were—ayes 231, noes 200, not voting 3, as follows:

[Roll No. 347]

AYES—231

Aderholt
Archer
Armey
Bachus
Baesler
Baker
Ballenger
Barcia
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bereuter
Berry
Bilirakis
Bliley
Blunt
Boehner
Bonilla
Boswell
Boucher
Boyd
Brady (TX)
Bryant
Bunning
Burton
Callahan
Camp
Canady
Cannon
Chabot
Chambliss
Chenoweth
Christensen
Clayton
Coble
Coburn
Collins
Combest
Cook
Cooksey
Costello
Cramer
Crane
Crapo
Cubin
Cunningham
Danner
Deal
DeLay
Diaz-Balart
Dickey
Doolittle
Doyle
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
English
Ensign
Etheridge
Everett
Ewing
Fossella
Fowler
Fox
Franks (NJ)
Gallegly
Gekas
Gibbons
Gillmor
Goode
Goodlatte
Goodling
Gordon
Goss
Graham
Green
Gutknecht
Hall (TX)
Hansen
Hastert
Hastings (WA)
Hayworth
Hefley
Herger
Hill
Hilleary
Hinojosa
Hoekstra
Holden
Hostettler
Hulshof
Hunter
Hutchinson
Inglis
Istook
Jenkins
Johnson (WI)
Johnson, Sam
Jones
Kanjorski
Kasich
King (NY)
Kingston
Klink
Klug
LaHood
Largent
Latham
LaTourette
Lewis (KY)
Linder
Lipinski
Livingston
LoBiondo
Lucas
Manzullo
Martinez
Mascara
McCollum
McCrery
McHugh
McInnis
McIntosh
McIntyre
Metcalf
Mica
Miller (FL)
Minge
Moran (KS)
Myrick
Nethercutt
Neumann
Ney
Northup
Norwood

Nussle
Ortiz
Oxley
Pappas
Parker
Pastor
Paul
Paxon
Pease
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pickett
Pitts
Pombo
Pomeroy
Portman
Pryce (OH)
Quinn
Radanovich
Rahall
Ramstad
Redmond
Regula
Reyes
Riley
Rodriguez
Roemer
Rogan
Rogers
Rohrabacher
Roukema
Royce
Ryun
Salmon
Sandlin
Sanford
Saxton
Scarborough
Schaefer, Dan
Schaffer, Bob
Sensenbrenner
Sessions
Shadegg
Shaw
Shimkus
Shuster
Sisisky
Skeen
Skelton
Smith (MI)
Smith (NJ)
Smith (OR)
Smith (TX)
Smith, Linda
Snowbarger
Solomon
Souder
Spence
Spratt
Stearns
Stenholm
Stump
Stupak
Talent
Tanner
Tauzin
Taylor (MS)
Taylor (NC)
Thornberry
Thune
Thurman
Tiahrt
Traficant
Turner
Upton
Walsh
Wamp
Watkins
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Wilson
Wolf
Young (AK)

NOES—200

Abercrombie
Ackerman
Allen
Andrews
Baldacci
Barrett (WI)
Becerra
Bentsen
Berman
Bilbray
Bishop
Blagojevich
Blumenauer
Boehlert
Bonior
Bono
Borski
Brady (PA)
Brown (CA)
Brown (FL)
Brown (OH)
Burr
Buyer
Calvert
Campbell
Capps
Cardin
Carson
Castle
Clay
Clement
Clyburn
Condit
Conyers
Cox
Coyne
Cummings
Davis (FL)
Davis (IL)
Davis (VA)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dicks
Dingell
Dixon
Doggett
Dooley
Dreier
Engel
Eshoo
Evans
Farr
Fattah
Fawell
Fazio
Filner
Foley
Forbes
Ford
Frank (MA)
Frelinghuysen
Frost
Furse
Ganske
Gejdenson
Gephardt
Gilchrest
Gilman
Granger
Greenwood
Gutierrez
Hall (OH)
Hamilton
Harman
Hastings (FL)
Hefner
Hilliard
Hinchey
Hobson
Hooley
Horn
Houghton
Hoyer
Hyde
Jackson (IL)
Jackson-Lee (TX)
Jefferson
John
Johnson (CT)
Johnson, E.B.
Kaptur
Kelly
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kilpatrick
Kim
Kind (WI)
Kleczka
Knollenberg
Kolbe
Kucinich
LaFalce
Lampson
Lantos
Lazio
Leach
Lee
Levin
Lewis (CA)
Lewis (GA)
Lofgren
Lowey
Luther
Maloney (CT)
Maloney (NY)
Manton
Markey
Matsui
McCarthy (MO)
McCarthy (NY)
McDade
McDermott
McGovern
McHale
McKeon
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Millender-McDonald
Miller (CA)
Mink
Moakley
Mollohan
Moran (VA)
Morella
Murtha
Nadler
Neal
Oberstar
Obey
Olver
Owens
Packard
Pallone
Pascrell
Payne
Pelosi
Porter
Poshard
Price (NC)
Rangel
Riggs
Rivers
Ros-Lehtinen
Rothman
Roybal-Allard
Rush
Sabo
Sanchez
Sanders
Sawyer
Schumer
Scott
Serrano
Shays
Sherman
Skaggs
Slaughter
Smith, Adam
Snyder
Stabenow
Stark
Stokes
Strickland
Sununu
Tauscher
Thomas
Thompson
Tierney
Torres
Towns
Vento
Visclosky
Waters
Watt (NC)
Waxman
Wexler
Weygand
Wise
Woolsey
Wynn
Yates

NOT VOTING—3

Gonzalez
Velazquez
Young (FL)

□ 1840

Mrs. CLAYTON changed her vote from ''no'' to ''aye.''

So the amendment was agreed to.

The result of the vote was announced as above recorded.

The CHAIRMAN. The committee will rise informally to receive a message.

The Speaker pro tempore (Mr. LAHOOD) assumed the Chair.

SUNDRY MESSAGES FROM THE PRESIDENT

Sundry messages in writing from the President of the United States were communicated to the House by Mr. Sherman Williams, one of his secretaries.

The SPEAKER pro tempore (Mr. LAHOOD). The Committee will resume its sitting.

DEPARTMENTS OF VETERANS AFFAIRS AND HOUSING AND URBAN DEVELOPMENT, AND INDEPENDENT AGENCIES APPROPRIATIONS ACT, 1999

The Committee resumed its sitting.

(By unanimous consent Mr. LINDER was allowed to speak out of order.)

PERSONAL EXPLANATION

Mr. LINDER. Mr. Chairman, regrettably I was not present to vote on Rollcall Numbers 337, 338 and 339 last Friday afternoon. Had I been present I would have voted aye on 337, no on vote 338 and aye on vote 339 which was the final passage of the Patient Protection Act.

Ms. DELAURO. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I yield to my colleague, the gentleman from Virginia (Mr. SCOTT).

(Mr. SCOTT asked and was given permission to revise and extend his remarks.)

Ms. DELAURO. Mr. Chairman, I rise to support the motion which will be offered by the gentleman from Wisconsin (Mr. OBEY) a little bit later in the evening.

Mr. Chairman, in 1994 the Consumer Product Safety Commission decided to grant part of a petition by State fire marshals, State fire marshals who have been asking the CPSC to develop a safety standard for upholstered furniture to address the problems of fires started from small open flames such as lighters, matches and candles. Every year 200 people are killed and 600 injured unnecessarily by fires which start on upholstered couches and chairs. Most of the fires start when children play with lighters and matches, and every year 40 children under age 5 die in fires started by burning upholstered furniture.

These fires, Mr. Chairman, cost an estimated $1 billion and are completely avoidable. These fires could be avoided by using fire-retardant chemicals to reduce the flammability of upholstered furniture. The CPSC has been working for the past 4 years to conduct tests and evaluate all of the issues relating to the proposed standard to reduce fires, but the upholstered furniture industry does not want this standard to move forward, so in subcommittee an amendment was added to tie the CPSC up in red tape and paperwork and delay the development of these standards.

Mr. Chairman, the study required in this bill is unnecessary, it is a stall tactic, and the CPSC estimates that it would take more than 5 years and cost nearly a million dollars to do this unnecessary study. In the meantime more fires will occur putting peoples' lives in danger. Each year that goes by before the standard is put in place 200 people die, each year 600 people are injured unnecessarily, and each year that goes by nearly $1 billion in damages and social costs from these preventable fires occur. Each year that goes by 40 more children under age five will die from fires and burns.

□ 1845

Will we continue to sacrifice the lives of our children and firemen? Will we pander to the upholstered furniture industry to stop the CPSC from taking steps to prevent these completely avoidable fires? No. I urge my colleagues to support this motion to recommit.

Mr. Chairman, I am pleased to yield to my colleague, the gentleman from New Jersey (Mr. PASCRELL).

Mr. PASCRELL. Mr. Chairman, we will vote on a motion to recommit with specific instructions to strike section 425. This section puts the interest of an industry over the interest of our citizens. Today we won a victory on children's sleepwear fire safety standards. We demonstrated Congress' bipartisan commitment to ensuring that our children are safer from fires. Now we must continue that commitment by allowing the Consumer Product Safety Commission to proceed on upholstered flammability standards.

In a letter to the Committee on Rules, the Consumer Product Safety Commission called this language an obstacle to their work. They said, and I quote:

> The proposal creates additional costs to an ongoing project and adds considerable delay and redundancy with no additional benefits to the American public. This is only intended to interfere and disrupt the orderly process already developed by the Consumer Product Safety Commission to consider a serious hazard facing American consumers.

That is not stated by any Congressperson. That is stated by the CPSC. Unfortunately, if this VA–HUD appropriations bill passes with section 425, the $16 billion upholstery manufacturing industry will receive an early Christmas present. That is what this is all about.

While the industry is laughing its way to the bank, thousands of Americans will be in jeopardy and will continue to be in jeopardy. They will be

burned because the industry spent thousands of dollars lobbying against a national upholstery flammability standard. Thirty-seven hundred people a year are killed by house fires. Seventeen hundred youngsters are injured due to residential fires, most of which are starting when upholstery furniture catches fire.

This bill blocks the progress that has been made by the Consumer Product Safety Commission. The provision not only delays the project, but it is totally redundant and provides no further benefit to the American public.

While we wait, over 25,000 men, women, and children will have died as a result of burning furniture if we wait a year or 18 months. The Consumer Product Safety Commission calculates that an upholstery flammability standard will have an annual net savings of $300 million.

AMENDMENT NO. 31 OFFERED BY MR. RIGGS

Mr. RIGGS. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 31 offered by Mr. RIGGS: At the end of the bill, insert after the last section (preceding the short title) the following new section:

SEC. . None of the funds appropriated by this Act may be used to implement section 12B.2(b) of the Administrative Code of San Francisco, California.

Mr. RIGGS. Mr. Chairman, I will try to be as brief as I can for this debate, because I believe that this is the last substantive amendment pending to the bill before we move to recommittal and final passage.

I am glad the Clerk read my amendment because the amendment has been revised and modified now a couple of times in part because of what I think is the legitimate criticism of earlier versions of the amendment from some of my colleagues on the Democratic side of the aisle.

So the amendment in its current form is intended to do one thing and one thing only, and that is to prevent the City and County of San Francisco government, which is one unit of local government, one political subdivision, and to the extent that my amendment, if it passes, reflects the thinking and the intent and the will of the Congress, by inference, any other local government, to prevent the city and county of San Francisco government from being able to use Federal taxpayer funding, Federal taxpayer funding to condition any city contract to a private organization to require that private organization, whether it be a for-profit business or a not-for-profit community-based charitable organization, to provide domestic partner benefits to their employees.

I think that that is the basis for a very legitimate, a very serious debate in the people's House before any local government can use Federal taxpayer funding in this fashion.

So I want to stipulate at the outset that this is not, in my view, a matter involving local autonomy. It does not force the city and county of San Francisco to change its current law, city ordinance on the use of city funding, local taxpayer funding in this fashion, no matter how misguided I might think that is. For that matter, it does not apply to any city contracts with State taxpayer fund.

While I would disagree with the policy, it does not interfere with the city and county of San Francisco's decision to offer domestic partner benefits to their own employees. It only applies at that point where the city and county attempts to condition the city contract using Federal taxpayer funding to impose this requirement on the private sector. Therein lies, I think, a very important distinction.

Secondly, the way the city's ordinance is currently drafted, chapter 12B of the San Francisco Administrative Code, it requires private organizations doing business with the city to provide benefits to unmarried domestic partners to the same extent as spouses of married employees.

I think we should have a debate on whether we want to elevate that relationship to the same status as marriage, which I consider to be a sacred institution and which I define as the covenant between one man and one woman. I think we can have a very legitimate debate on that.

But the real problem I have with the city ordinance is, as I have mentioned, that it applies to all city contracts and grants using monies deposited or under the control of the city. I quote from the ordinance. So it applies to Federal taxpayer funding as well as State and local taxpayer funding. Hence, the need for my amendment.

This is a relatively recent law, relatively recent development in San Francisco. Since its implementation by the elected decision makers for the city and county of San Francisco, that is to say a majority of the San Francisco Board of Supervisors, there have been a number of organizations that have resisted this policy, some of them for-profit businesses, large corporations like United Airlines, Federal Express. It needs city approval in order to be able to do business, to have facilities in San Francisco International Airport.

Those large corporations, for-profit entities, they have resources that smaller nonprofit community-based charitable organizations do not. So I am not here really on their behalf. I am here on behalf of Catholic Charities and Salvation Army, two venerable organizations. They have longstanding relationships with the city and county of San Francisco government that have found themselves suddenly forced to accept this policy or lose its city contracts.

In the case of Catholic Charities, they were able to work out apparently an agreement that is a slight variation of the city law. But in the case of the Salvation Army, which refused to buckle to the city policy, the Salvation Army forfeited $3.5 million of its $18 million budget. Here is the headline from the San Francisco Examiner newspaper.

The CHAIRMAN. The time of the gentleman from California (Mr. RIGGS) has expired.

(By unanimous consent, Mr. RIGGS was allowed to proceed for 2 additional minutes.)

Mr. RIGGS. Mr. Chairman, the headline says ''The Salvation Army has decided to end its contracts with San Francisco and shrink programs serving the homeless, drug addicts and the elderly because of a dispute over the city's domestic partners law.

Some, if not most, or even all of this funding originated with Federal taxpayers and was appropriated by this body, in this annual spending bill, as well as other annual spending bills.

What I want my colleagues to know is that the city law provides for a specific exemption, a sole provider exemption, otherwise known as a waiver, and that the city and county of San Francisco, upon the recommendation of the city's Human Rights Commission, has granted a number of waivers to private contractors doing business with the city of San Francisco, including Blue Cross, Encyclopedia Britannica, the U.S. Tennis Association, Lawrence Hall, Paramount, the large corporation that operates two amusement parks in the San Francisco Bay area so that 9,000 underprivileged kids living in San Francisco could go to those amusement parks this summer; yet it refused to grant a waiver to the Salvation Army and Catholic Charities.

So, Mr. Chairman, I think this is an appropriate debate to take. I think we should take a stand. We should not sanction domestic partner relations; that we should say unequivocally that the American people want leaders who will respect and support rather than dishonor and undermine marriage and the family, and most importantly, I think we should support the rights of private organizations, whether it be the Boy Scouts, Catholic Charities or Salvation Army, to adhere to the traditional values that they have always followed.

So I ask support from my colleagues for my amendment which simply would not allow Federal taxpayer funding from this bill to be used to force or to coerce private groups and businesses to adopt policies that they find morally objectionable.

Ms. PELOSI. Mr. Chairman, I rise in opposition to the Riggs amendment. When I came to the floor to oppose the amendment, I did so on the basis of the issue of local autonomy. Having the concern that I do about the impact of a vote on my colleagues that I wish the maker of this motion would share, I am concerned when I hear him making statements about the practice in San Francisco that is not true. Either the

gentleman is ill-informed or he chooses to ignore the truth in this situation.

What this amendment will do is to single out one city. I ask my colleagues, do you want your city singled out next? None of the funds appropriated by this act may be used to implement Section 12B.2(b) of the Administrative Code of the city of San Francisco.

This is the fifth version of the Riggs amendment. It took five versions for the gentleman from California (Mr. RIGGS) to conclude what he wanted our colleagues to consider because this is a very sloppy approach to legislation. It is in violation of local autonomy and it is unconstitutional.

As I said, I came to talk about this in terms of local autonomy, and if I have the time I will, but I do want to set the record straight.

First of all, the city of San Francisco is not forcing anyone to act against his or her or their principles. Indeed, the gentleman from California (Mr. RIGGS) said he is here on behalf of Catholic Charities. He said that.

Catholic Charities and the city of San Francisco have entered into a very amicable agreement about how Catholic Charities will continue to provide the services that it does exceptionally well in helping with the homeless and with child care and other delivery of services as contractors to the city of San Francisco. There is peace between Catholic Charities and the city of San Francisco. I do not know why the gentleman from California (Mr. RIGGS) wants to create a war there.

In terms of the services provided by the Salvation Army, the gentleman from California (Mr. RIGGS) says that there has been a shrinking of programs and they have not been able to provide the services that they have been contracted to do, and that simply is not true. Indeed, the gentleman from California (Mr. RIGGS) says that San Francisco has offered sole-sourcers the opportunity for a waiver but it would not offer that waiver to the Salvation Army. Not true.

That waiver is available to Salvation Army. They chose not to accept it, and in September their contracts will lapse and San Francisco will award the contracts for the delivery of services that Salvation Army so ably provides. Perhaps the contract will go to Catholic Charities which is complying with the law in San Francisco, as I say, very peacefully.

I say to my colleagues I care about the impact of this vote on them and I do not want to ask them to do something that is not in their interest at the end of the day, and I believe it is in their interest at the end of the day to protect the local autonomy.

Indeed, in the words of our colleague, the gentleman from California (Mr. RIGGS), who said on another occasion, when he was arguing against Federal control, he urged us, and I quote, to decentralize authority and responsibility and, yes, funding and revenues back to the States. This was in the context of the block grants in education.

Then he said, in turn, we will be disbursing power to our fellow citizens.

Well, that is a great idea. Why not support it today?

In another statement, he advised the House, we have to have a national policy which specifies that the Federal Government no longer can impose mandates on State and local government.

□ 1900

Well, if the maker of the amendment were to be true to those words, he would vote down his own amendment today.

The Riggs amendment would prohibit, as I say, any funds from being used to implement section 12B, or the antidiscrimination section of the San Francisco Code to the Administrative Code of San Francisco.

I want my colleagues to hear the words of the U.S. Conference of Mayors. If any of my colleagues have cities and towns in their districts, and I assume that they do, they might want to know that they have said: ''The modified,'' and this is now the 5th modification, ''Riggs amendment strikes at the heart of a local jurisdiction's obligation to ensure that civil rights are protected within its boundaries.''

The Office of Management and Budget warns that ''The amendment would impose an unfunded, expensive and extremely burdensome administration requirement on the city.''

Can my colleagues just see it now? We are going to administer some homelessness or child care or whatever the service is, and we are going to have to figure out what part of it going to Catholic charities is federal, in a way that meets the criteria of the gentleman from California (Mr. RIGGS) but not those of the City of San Francisco and the Constitution of the United States.

Mr. Chairman, this body is not the city council of any city in the country. I urge my colleagues to vote against this ill-advised, poorly-formed amendment.

Mr. WAXMAN. Mr. Chairman, I move to strike the last word.

Mr. Chairman, the gentleman from California (Mr. RIGGS), who serves in this House from the State of California, is retiring from his position at the end of this year; and I would make a suggestion that if he wants to get involved in the laws adopted by the City of San Francisco, he ought go to San Francisco and run for the city council.

Because what this amendment has us do here in Washington is interfere with the legitimate local judgments about city contracts by the city itself. It prohibits the use of Federal funds to implement Chapter 12B of San Francisco's Administrative Code, but, obviously, the City does not use Federal funds to implement its ordinances. It does not use Federal funds to pay its employees or its department of public works. When the City issues an RFP, it does not spend Federal dollars.

So what is this amendment all about? It is a message amendment. It is an attack on the City of San Francisco. It is an affront to the citizens of San Francisco and to the progressive corporate citizenship of companies which provide domestic partner benefits. It is a slap at both small mom and pop businesses and Fortune 500 companies like American Express, IBM, and Shell Oil.

The amendment may not have any real effect on the City's business, but it will unquestionably encourage prejudice and intolerance. It will encourage future attacks on local government, and it will fail to do what it purportedly seeks to accomplish; it will fail to interfere with San Francisco's local judgment about its own contracts.

Mr. Chairman, I want to put into the RECORD following my comments here on the floor a letter from the Human Rights Campaign Fund, the Leadership Conference on Civil Rights, the United States Conference of Mayors, and the American Civil Liberties Union, and a resolution adopted by the City of Los Angeles, all opposing this amendment.

I urge my colleagues to oppose it. It is an unwarranted, extraordinary interference with local community judgment. It is not the job of the Congress to be micromanaging the business of American cities.

Mr. Chairman, I urge defeat of this amendment. I include at this time the letters I just referenced.

VOTE NO ON THE RIGGS AMENDMENT TO VA–HUD APPROPRIATIONS

(Working for Lesbian and Gay Equal Rights)

Representative Riggs (R-CA) intends to introduce an amendment when the House resumes consideration of the VA-HUD Appropriations bill. The amendment would prohibit the City of San Francisco from using VA-HUD funds to implement its entire city ordinance against discrimination in city contracts. The ordinance requires all city contractors to prohibit discrimination based on factors which include race, color, religion, sexual orientation, domestic partner status, marital status, or AIDS/HIV status.

UNPRECEDENTED FEDERAL INTERVENTION. The Riggs amendment is an example of gross micro-management of one particular city by the federal government. Congress sets a dangerous precedent and poses a threat to all localities if it begins to use its power to appropriate funds as a means to intimidate and coerce local governments. While the federal government conditions the use of federal funds, these conditions are based on the federal law authorizing the grant program (which is openly debated in Congress) or existing federal government regulations on the use of federal funds (which are subject to public comment). The Riggs amendment is ''de facto'' legislation on an appropriations bill without appropriate committee consideration and debate.

NO NATIONAL INTEREST AT STAKE. In a recent decision regarding the San Francisco ordinance, the U.S. District Court held that local governments have the discretion, as do individual consumers, to pick and choose the companies and organizations with which they will do business. Federal grant requirements similarly require grantees to comply with civil rights and other federal

law in order to do business with the federal government. While Representative Riggs may disagree with San Francisco's ordinance, there is no national interest at stake in its application.

MEAN SPIRITED PUNISHMENT. Punishing the people in one particular city because their duly elected leaders set a government policy clearly within their jurisdiction is a mean-spirited Congressional action. While the Riggs amendment does not cut off federal funds, use of those funds forces the city to violate its own rules and regulations. VA-HUD dollars are meant to help state and local governments meet the needs of their citizens. They are not meant to punish a locality for setting government policy.

THE ORDINANCE IS FLEXIBLE. The San Francisco ordinance requires city contractors who already provide benefits to married partners of employees to also provide benefits to domestic partners of employees. Several exceptions to the ordinance exist which, for example, have allowed San Francisco to craft an agreement with Catholic Charities that is satisfactory to both. Catholic Charities is now delivering care, housing, counseling and other services under a city contract.

THIS IS AN HRC KEY VOTE.

THE UNITED STATES
CONFERENCE OF MAYORS,
July 22, 1998.

DEAR MEMBER OF CONGRESS: On behalf of The United States Conference of Mayors, I am writing to express our continued opposition to an amendment to the VA-HUD Appropriations bill which would be a major undermining of local autonomy and the principles of federalism.

The modified amendment proposed by Representative Frank Riggs (CA) would prohibit any funds under the bill from being used by the City of San Francisco to implement sections of its municipal code that provide specific civil rights protections. These protections include prohibiting discrimination on the basis of race or national origin, religion, gender, disability or age.

The nation's mayors are seriously concerned with this unwarranted intrusion into local decision making. The modified Riggs amendment strikes at the heart of a local jurisdiction's obligation to ensure that civil rights are protected within its boundaries.

We again urge you to oppose this amendment on the grounds that the principles of federalism and local autonomy must not be held hostage to the provision of needed federal funding. The amendment would establish a very dangerous precedent and we urge you to oppose its adoption.

Sincerely,

J. THOMAS COCHRAN,
Executive Director.

LEADERSHIP CONFERENCE ON
CIVIL RIGHTS,
Washington, DC, July 22, 1998.

DEAR REPRESENTATIVE: On behalf of the Leadership Conference on Civil Rights (LCCR), a coalition of more than 180 national organizations representing people of color, women, labor unions, persons with disabilities, older Americans, major religious groups, gays and lesbians and civil liberties and human rights groups, we write to express our strong opposition to the so-called modified Riggs amendment to H.R. 4194, the FY '99 VA–HUD Appropriations Bill. If enacted, this amendment would mark a profound departure from this nation's bipartisan commitment to equal protection under the law and cause irreparable harm to countless Americans.

The modified Riggs amendment would prohibit the implementation of Chapter 12B of San Francisco's Administrative Code in programs funded by this bill. Chapter 12B includes fair employment protections prohibiting private vendors who do business with the city from discriminating on the basis of race, gender, color, creed, national origin, disability, and sexual orientation. Chapter 12B also provides for enforcement of these nondiscrimination protections through the local Human Rights Commission.

Each year, government entities (federal, state, and local) purchase goods and services from private vendors. For most of the nation's history, women and people of color faced insurmountable legal barriers that deprived them of the opportunity to compete for these government contracts. Even after these legal obstacles were removed in the 1960's, Congress has repeatedly recognized that systemic illegal discrimination continues to deprive countless individuals an equal opportunity to secure the federal government's procurement dollars. Similarly, state and local governments have enacted numerous program to ensure they are not an active participant in the continuing cycle of discrimination.

Prohibiting the City of San Francisco from ensuring nondiscrimination within programs under its jurisdiction not only would represent an unprecedented intrusion in local government autonomy, but more important, would mark a significant retreat in the nation's bipartisan commitment to effective civil rights enforcement. State and local governments have a compelling interest in expanding employment opportunities and ensuring that taxpayer dollars are not inadvertently being used to subsidize discrimination.

On behalf of the Leadership Conference, I urge you to continue the bipartisan tradition of supporting non-discrimination by rejecting the revised Riggs Amendment that would endanger equal employment opportunities.

Sincerely,

WADE HENDERSON,
Executive Director.

ACLU,
WASHINGTON NATIONAL OFFICE,
Washington, DC, July 23, 1998.

DEAR REPRESENTATIVE: The American Civil Liberties Union strongly urges you to oppose the Riggs Amendment to the Veterans Administration/Housing and Urban Development Appropriations bill. The Riggs Amendment will most likely come up for a vote as early as this afternoon or tomorrow morning.

Congressman Riggs has proposed four different versions of his amendment to punish the City of San Francisco for contracting with businesses that provide domestic partnership health care benefits to their employees. Several of those versions are unconstitutional as lacking any legitimate governmental purpose under the Supreme Court case of Romer v. Evans, or as directly violating the constitutional prohibition on Congress passing any bill of attainder—specifying a person or organization for punishment instead of passing a generally applicable law.

The fourth and latest version of the Riggs Amendment raises an entirely new set of problems. It provides that ''none of the funds appropriated by this Act may be used to implement Chapter 12B of the Administrative Code of San Francisco, California.''

In his rush to punish San Francisco for encouraging its vendors to provide the partners or spouses of both gay and lesbian and heterosexual employees with the same health care benefits, Congressman Riggs is attacking a city law that also protects against discrimination based on race, religion, color, gender, and national origin. Riggs has broadened his attack to include all minorities.

The San Francisco City Council passed Chapter 12B of its Administrative Code to eliminate all forms of discrimination against its employees and persons working for its vendors. The objective is to protect the basic civil rights of persons working for the city—even if those workers are in positions that have been privatized.

The Riggs Amendment will punish San Francisco for doing what all federal civil rights laws permit San Francisco to do. Specifically, federal civil rights laws do not preempt state and local civil rights laws. The purpose of preserving the rights of state and local governments to pass their own civil rights laws is to encourage them to enforce civil rights laws at the state and local level and reduce the need for the federal government to intervene.

The Riggs Amendment violates the historic federal principle of not preempting stronger state or local civil rights laws by punishing a city for passing a provision that provides effective protection for persons based on such characteristics as race, religion, color, natural origin, gender, and sexual orientation. If it passes, the Riggs Amendment will be a big step backward for the protection of civil rights at the state and local level.

For these reasons, the ACLU strongly urges you to vote against the Riggs Amendment.

Sincerely,

LAURA W. MURPHY.
CHRISTOPHER E. ANDERS.

CITY OF LOS ANGELES,
California, July 24, 1998.

Re: Include in city's Federal Legislative Program Opposition to Riggs Amendment to H.R. 4194—VA, HUD, and Independent Agencies appropriations bill—which would prohibit any HUD funds from being distributed to a locality which has an ordinance requiring contractors to provide health care benefits to domestic partners of company employees.

I hereby certify that the attached resolution (Miscikowski-Wachs), was adopted by the Los Angeles City Council at its meeting held July 24, 1998.

J. MICHAEL CAREY, *City Clerk.*
By Judi R. Clarke, Deputy.

RESOLUTION

Whereas, Congress is in the process of enacting various appropriation bills to fund all Federal programs for the fiscal year beginning October 1, 1998; and

Whereas, one of these bills is H.R. 4194, which makes appropriations for Veterans Affairs, HUD, and Independent Agencies, including funding for homeless programs, housing programs for people living with HIV/AIDS, low-income elderly housing and lead abatement programs; and

Whereas, Representative Frank Riggs has introduced an amendment to this legislation which, although worded differently in its various iterations, would essentially undermine local autonomy and put the Federal Government in the role of dictating policy to cities around the country; and

Whereas, this amendment would essentially prohibit any HUD funds from being distributed to a locality which has an ordinance requiring contractors to provide health care benefits to domestic partners of company employees; and

Whereas, although currently worded to specifically apply only to the City of San Francisco, the real impact of this amendment stretches far beyond the borders of any particular city. The issue is the right of any municipality in America to consider and enact ordinances within their traditional purview without Federal intervention; and

Whereas, the effect of this amendment would be to reduce lead hazard reduction activities for children, eliminate funds for low income elderly housing, curtail services to the homeless and eliminate resources for housing for people with AIDS; and

Whereas, the San Francisco ordinance under attack by this amendment merely requires contractors who already provide benefits to married partners of employees to also provide benefits to domestic partners of employees; and the ordinance provides several exceptions to exempt certain contractors, such as Catholic Charities and the Salvation Army from some of these requirements; and

Whereas, this ordinance has been upheld by a U.S. District Court in San Francisco which held that local governments have the discretion to pick and choose the companies and organizations with which they will do business; and

Whereas, the Riggs amendment has been modified four times in an effort to secure its passage, the last version narrowing to apply only to the City of San Francisco. However, its intent is far reaching and has serious implications for all cities, including the City of Los Angeles which has implemented various efforts to benefit domestic partners, secure living wages for workers and eliminate substandard/slum housing—all programs which may fall victim to some future Congressional initiative such as the Riggs amendment; now, therefore, be it

Resolved, That the Council of the City of Los Angeles hereby includes in the City's Federal Legislative Program opposition to the Riggs Amendment to H.R.4194—the VA, HUD, and Independent Agencies appropriations bill, and any similar legislation which would prohibit any HUD funds from being distributed to a locality which Has an ordinance requiring contractors to provide health care benefits to domestic partners of company employees, and would undermine local autonomy and put the Federal Government in the role of dictating Policy to cities around the country.

ANDY MISCIKOWSKI,
Councilwoman, 11th District.

Mrs. MORELLA. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in opposition to the Riggs amendment, because, frankly, this amendment is a clear intrusion into the affairs of a local government. It targets an ordinance approved by only one city in this country, San Francisco; and, frankly, it sets a terrible precedent in so doing.

As has been mentioned, the U.S. mayors oppose the modified Riggs amendment saying that, quote, the modified Riggs amendment strikes at the heart of a local jurisdiction's obligation to ensure that civil rights are protected within its boundaries, unquote. The Leadership Conference on Civil Rights has also expressed its strong opposition, as have other organizations.

Further, the amendment violates the Constitution's prohibition against the enactment of ''bills of attainder'' by naming specific targets for punishment through the prohibition of funding. I think it would clearly be challenged in the courts.

The amendment would have a substantial financial impact on the City of San Francisco. The Office of Management and Budget has determined that the amendment would impose an unfunded, expensive and extremely burdensome administrative requirement on the City, unquote.

Mr. Chairman, contrary to the charges made by amendment supporters, the City of San Francisco has worked with organizations with differing beliefs to reach agreements satisfactory to both; and as has been mentioned and I will reiterate, in fact, Catholic charities and the City have reached just such an agreement in regard to the ordinance.

So Mr. Chairman, I repeat, this is a clear instance in which the Federal intervention in local affairs is not appropriate. There is no justification for this intrusion in local decisionmaking. In fact, this amendment would set a dangerous precedent if it were approved, and I hope it will not be approved.

Mr. LANTOS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, San Francisco has two representatives in Congress, and I am proud to join the gentlewoman from California (Ms. PELOSI), my friend and colleague, in expressing my strongest disapproval of this proposed amendment.

This amendment by the gentleman from California (Mr. RIGGS) should be called the ''Big Brother Amendment,'' because it engages in a preposterous degree of micromanagement of the affairs of a city. And it is not surprising that the national organization representing the mayors of our country and the national organization representing the counties in our country are as opposed to this amendment as are we.

It is simply preposterous for the Federal Government to interfere with city ordinances that merely provide for equality of opportunity and fairness. Micromanagement has no role in our legislative process. And to find a subsection of a section of the San Francisco city ordinance to be unacceptable to the Congress of the United States by individuals who favor block grants and who tell us to allow local decisionmaking is so hypocritical as to boggle the mind.

But this is not just interference in local decisionmaking. This is a poorly disguised assault on a persecuted minority, and I hope my colleagues across this political spectrum, from the far right to the left, will oppose this amendment. There is no room in our society for fermenting divisions, hate, and persecution, and this amendment should be rejected.

Mr. STOKES. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from California (Mr. RIGGS). I do so because I believe the amendment represents an unwarranted intrusion into the local affairs of one particular city.

The Riggs amendment says that none of the funds in this bill may be used to implement section 12B.2(b) of the Administrative Code of San Francisco, California. This particular section of local law requires contractors doing business with the City of San Francisco to provide the same benefits to their employees' ''domestic partners'' as they provide to employees' spouses. Domestic partners are defined as persons registered as such with a government agency pursuant to a State and local law. The apparent intent of the Riggs amendment is to prevent the City from applying this requirement on contracts that use funding from HUD or one of the other Federal agencies covered by this bill.

San Francisco's domestic partnership law is motivated, in part, by a belief that, as a matter of principle, spouses and domestic partners should be treated equally with respect to employee benefits. The practice of providing benefits to domestic partners has been adopted by a great many employers throughout the country, ranging from local governments to large corporations.

I also understand that the City's law is motivated, in part, by a desire to make health benefits more widely available and thereby reduce costs for public health programs.

Now, whether one agrees or disagrees with the particular approach chosen by San Francisco, we should all be able to agree that these are legitimate goals for a municipal government to be pursuing and that the City's elected officials have every right to adopt this rule.

We are so often told, especially by members of the majority party, that greater power must be returned to State and local governments and that the Federal Government should be providing assistance, largely through block grants with few strings attached. And, indeed, many of the programs administered by the Department of Housing and Urban Development that are funded in this bill, there has been an increasing emphasis on local control and local decisionmaking.

The Riggs amendment turns this principle on its head. It singles out one particular city and says that city cannot apply a particular local ordinance to block grant and other funds.

Mr. Chairman, do we believe in local control and local decisionmaking or do we not? If we truly believe in local control, that principle should apply regardless of whether Congress happens to agree with all of the decisions made by every locality. Does Congress really need to turn itself into some sort of super review body for city councils picking and choosing those local enactments with which it agrees and disagrees and singling them out for disapproval in appropriation bills? I hope not. We should not start down that road.

Mr. Chairman, I urge defeat of the Riggs amendment.

Mr. NORWOOD. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I yield to the gentleman from California (Mr. RIGGS).

Mr. RIGGS. Mr. Chairman, I thank my good friend and colleague for seeking recognition and for yielding to me, because at this point in the debate I think it is important that we perhaps clarify some erroneous impressions that I believe my colleagues on the other side of the aisle are laboring under. Certainly I hope that they are not trying to perpetuate some of this nonsense that I have heard in recent days as we diligently sought to narrow the scope and the impacts of my amendment.

Just for the record, there were three versions, not four, not five, and I do not think there is a need to constantly exaggerate.

Just for the record, the City and County of San Francisco is the only such city with this kind of law, this kind of ordinance on the books, using Federal taxpayer funding to force private organizations to comply with the law. They are very proud of that fact. They are proud of the fact that they have a ground-blazing ordinance, their groundbreaking domestic partners law, the equal benefits ordinance which requires that organizations doing business with the City provide health care benefits to gay, lesbian and unmarried partners of their employees if they provide the same benefits to husbands and wives. And I do not think we will get any dispute over here that that is what the ordinance says and what it seeks to do.

So I guess the question to my colleagues is, do my colleagues have any concern about unwarranted intrusion into the private sector? I guess not. Do my colleagues really think that we should elevate a relationship between two unmarried people to the same relationship as two married people? And if we do not, that that is a form of discrimination, as I have heard people who oppose my amendment say repeatedly? Do my colleagues really feel that that is a form of discrimination, that unmarried people are treated differently under the law than married people? Do my colleagues think that that should be the policy of the United States Government, that unmarried people in a relationship are treated the same as married people?

Mr. LANTOS. Mr. Chairman, will the gentleman yield?

Mr. RIGGS. Mr. Chairman, the gentleman from Georgia controls the time.

Mr. LANTOS. Mr. Chairman, is this a rhetorical question or a serious question?

Mr. RIGGS. Mr. Chairman, the gentleman from Georgia controls the time. I will continue on. I will continue on, because, obviously, the gentleman has the ability to get more time on that side of the aisle.

□ 1915

I do not want people, our colleagues who might be following this debate, to labor under a false impression. Of course the Conference of Mayors, of course local officials, are going to go on record as opposing the amendment. They want as few strings attached as possible. We recognize that.

The gentlewoman from California (Ms. PELOSI) is right when she says that generally speaking it is the Republican philosophy to decentralize funding and to maximize local control. The problem here is that we are talking about Federal taxpayer funding, not just State and local government funding, but Federal taxpayer funding.

My amendment does not jeopardize, as some have attempted to portray, receipt of these funds. The city and county of San Francisco would still get their full allocation of funding under the bill. They just could not use the funding to require that private organizations accept this policy against their fiscal and/or moral objections.

So my amendment merely prohibits the city and county of San Francisco, the first unit of local government to adopt such a law and to use Federal taxpayer funding, to force this law on private sector contractors, from attaching any domestic partner conditions to city contracts with Federal taxpayer funding because it now has had the unintended effect, at least in the case of the Salvation Army, of jeopardizing, if not disrupting, $3.5 million in funding to serve the homeless, to serve AIDS patients, and to provide meals to elderly citizens.

Mr. KUCINICH. Mr. Chairman, I move to strike the requisite number of words.

(Mr. KUCINICH asked and was given permission to revise and extend his remarks.)

Mr. KUCINICH. Mr. Chairman, I think a national civics lesson is in order here. First of all, as a former mayor of the city of Cleveland, I think that I understand what all mayors understand, and that is that people in our cities pay taxes to city, State, and to the Nation. So people in cities across this country give their tax dollars to the Federal Government. They are Federal taxpayers. That does not give them any less rights, it actually gives them more rights. It gives them something to say at all levels.

I am very concerned, as a former mayor and as a former city councilman, that the Riggs amendment would usurp the right of a local community, and by reference, all local communities, to make their own laws. The principle of home rule is something that every one of us in the Congress of the United States ought to support. We ought to support the principle of home rule.

People make laws at a local level to promote their own safety, to provide for their own services, to make sure that people have their waste collected, have their streets plowed in the winter, the streets clean, to make sure that the people have good recreation and health care. People establish local governments specifically to do that, and they also establish laws which relate to the concerns of people in the community.

People elect local officials because there are some decisions that are made at a local level, the decision of which ought to be made by the people of that locality. The history of the Federal Government does not provide for preemption of State or civil rights laws where State or civil rights laws of a locality have gone further than the Federal Government.

There is no place like home, and there is no government institution like home rule. How precious is this right of self-government? How precious is this right of home rule? People together, coming together at a local level, they elect their members of council to address local issues which are of importance to the people in their neighborhood, their community, and their city.

City councils meet as legislative bodies to make the laws for a city. It has been said before, we are not a plenipotentiary legislative body that seeks to make laws at every level of this government. We make Federal laws. We do not make laws for city councils and the city of San Francisco or Cleveland or Chicago or New York.

All across this land, mayors and councils meet daily, meet weekly, to do what they feel is in the best interests of their community. Local government exists for local matters, and the Federal Government exists for Federal matters, and we should not try to usurp the job and the duty of local government.

But when an amendment is created and aimed specifically at one city, in this case, San Francisco, California, I submit that it attacks home rule not only in San Francisco, but it attacks home rule in every city in the United States of America. As a former mayor, I can tell the Members that that ought not to happen, because that is not what the founders or the framers meant when they created a United States. It attacks home rule in New York, in Cleveland, in Chicago and Los Angeles, in every city and in every suburb and in every town.

Local government means power to the people in its finest. Aside from this attempt to dictate to San Francisco, there is an undercurrent here which is not worthy of this Congress. I ask the Members, whatever happened to keeping government out of people's private lives? Whatever happened to live and let live? Whatever happened to do onto others as you would have them do unto you? Whatever happened to judge not, that ye be not judged?

Mr. Chairman, I yield back, but I do not yield back anybody's constitutional rights.

Mr. LEWIS of California. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise with some regret to strongly oppose the amendment of my colleague, the gentleman from California (Mr. RIGGS).

Mr. Chairman, I rise to make a couple of points. The first is that many may not know, but the early part of my life in a professional sense involved years in the health and life insurance business. I know a good deal about the group health insurance business and the way those contracts are formed.

I feel very strongly that in this arena, the marketplace ought to have something to say. Indeed, as my colleague, the gentleman from Ohio (Mr. STOKES) indicated, there are corporations across the country who, in specifications they have outlined in terms of health insurance contracts, have included, among other things, provisions such as the ones that are being discussed here. The marketplace will work. People who are bidding to place those contracts can either choose to compete or not compete. So, frankly, I think, in the clearest sense, that ought to be true in this instance in the bay area of California.

Above and beyond that, it strikes me that beauty often lies in the eyes of the genuflector, and I find people in this House, sometimes on both sides of the aisle, stand and pound their chests in support of local control. Indeed, I have often said to my friends who are involved in educational issues at the local level, friends, be very careful as you turn to Washington and look for your educational dollars, and recognize that we only give 10 cents on the dollar for educational purposes, but very quickly those who are delivering that dime want to spend your entire dollar, for they love the control, using the Federal dollar as the reason to control.

In this case, in a most fundamental way, local government is reflecting its views as to what their policy should be, and very much reflecting their community in total, the epitome of what local control is all about.

It seems to me that the first thing the Congress should know is that we do not have all the answers to all the problems around. Indeed, that government that serves best is the government that is closest to the people who would be served.

So for all of those reasons, I would strongly urge the Members of this body to reject the Riggs amendment.

Mr. RIGGS. Mr. Chairman, will the gentleman yield?

Mr. LEWIS of California. I yield to the gentleman from California.

Mr. RIGGS. Mr. Chairman, as the gentleman knows, we are friends and colleagues of the same State congressional delegation, and I respect the gentleman's opinion and views. But I want to explain one more time why I think we should give this very careful thought.

That is simply this: In the instance of the Salvation Army, we have an organization that has had a longstanding relationship with the city of San Francisco. I do not think there is any argument to that. They have long had a presence in the San Francisco Bay area that is specifically within the city and county of San Francisco.

There are a lot of destitute and very needy people in the city of San Francisco. This is an organization dedicated through its founding principles, yes, its Judeo-Christian principles, on which it was founded, to helping the desperately poor and truly needy among us in our society.

So there is an organization that is put in this quandary. They have a presence, a longstanding presence there. They have had a relationship with local government. Local government adopts this law. They condition their contracts; and ultimately, the contractor, this private organization, objects to the contract and to the law on moral and religious grounds.

The problem that I have is that that is not the marketplace working. If it is a private for-profit entity, that is one thing, but this is a private not-for-profit charitable Christian organization that objects on moral and religious grounds, but wants to stay there in the city and continue to provide the services.

Mr. LEWIS of California. Mr. Chairman, reclaiming my time, I must say to the gentleman that there is probably not an organization in the country that I feel more closely to than the Salvation Army. I have worked with them not just here at home but overseas, in many instances in the country of India. I have a great sensitivity there.

But indeed, the marketplace does play a role here. Indeed, I am sure the Salvation Army, like other organizations working with the city, can find a way through this. But we should not be overriding that fundamental element of local control because of either a single organization, or in this case, because some disagree here at the Federal level.

Mr. FILNER. Mr. Chairman, I move to strike the requisite number of words.

Ms. JACKSON-LEE of Texas. Mr. Chairman, will the gentleman yield?

Mr. FILNER. I yield to the gentlewoman from Texas.

(Ms. JACKSON-LEE of Texas asked and was given permission to revise and extend her remarks.)

Ms. JACKSON-LEE of Texas. Mr. Chairman, because this is a very destructive amendment, I rise to oppose it, and I hope my colleagues will defeat it handily.

Mr. FILNER. Mr. Chairman, I thank the gentleman from California (Mr. LEWIS) for reminding other Members of his party that they are again conveniently forgetting their own sacred mantras of local control and no Washington interference to meet their own extreme partisan ends. Do they not get it, Mr. Chairman? They cannot have it both ways: honor and even sanctify local control when it suits them, but then disregard it when it conflicts with their own partisan agenda.

I am very concerned that this Congress is attempting to micromanage the affairs of the American public.

Mr. LEWIS of California. Mr. Chairman, will the gentleman yield?

Mr. FILNER. I yield to the gentleman from California.

Mr. LEWIS of California. Mr. Chairman, I do feel this is a very serious issue. I would really regret it if we paint an issue like this in partisan terms.

Mr. FILNER. I thank the gentleman.

In any terms, Mr. Chairman, this is a very harmful precedent to set. Members should mark my words that each and every one of our communities, as the gentleman from Ohio stated, becomes instantly vulnerable to the very same congressional meddling if we pass this amendment.

As a former city councilman and deputy mayor of the city of San Diego, I recall that my city's working with the Federal Government was a two-way relationship. The city met the reasonable requirements and guidelines of Federal grants and programs, and the Federal Government did not meddle in our city's internal affairs and policies. It was a mutually respectful arrangement that this Congress should continue to honor.

Mr. Chairman, the city of San Francisco has the right to conduct its business as it sees fit. Whether it is domestic partnership benefits or term limits or parking restrictions, if the people of San Francisco do not agree with the policies of their government, it is their prerogative to address these issues at the ballot box. It is not the prerogative of this Congress.

I strongly urge my colleagues to be consistent in their demand to honor local control. Let the people of San Francisco and every city in America govern themselves.

Ms. PELOSI. Mr. Chairman, will the gentleman yield?

Mr. FILNER. I yield to the gentlewoman from California.

Ms. PELOSI. Mr. Chairman, I thank the gentleman for yielding, and I thank him for his statement. I know that he is a former member of the city council, and deputy mayor or vice mayor.

Mr. FILNER. Deputy mayor.

Ms. PELOSI. Deputy mayor of San Diego. I appreciate the perspective he brings to this debate.

I particularly want to thank the chairman of the subcommittee, the gentleman from California (Mr. LEWIS) for his opposition to this amendment.

Mr. Chairman, just for the record, because a statement I made was contradicted by the maker of the motion, I want to submit for the RECORD the five versions of the Riggs amendment. This will be a resubmission, Mr. Chairman, because they have already appeared in the RECORD on July 15, in the case of one of them; on July 16, in the case of two of them; on July 21, in the case of another one; and the amendment that we have before us.

Mr. Chairman, I also want to say that it is interesting that the gentleman stood up and said he spoke here on behalf of Catholic Charities and Salvation Army, and now he is backing off

the Catholic Charities defense because he knows it was not a legitimate one. It is one that does not say that if you oppose the Riggs amendment, then you support domestic partners.

□ 1930

That is not the issue at all. It is about local autonomy. And, as I say, there is nobody here to have to defend Catholic Charities. They do a good job themselves. They are in contract with the City of San Francisco to provide the services that Federal dollars do provide. We do not want them to have to spend some of that money trying to separate which dollar is a San Francisco dollar, which dollar is a California dollar, which dollar is a Federal dollar. We would rather they have the maximum use of those funds for the delivery of services to meet the needs of the people of our community.

Mr. Chairman, I am very proud to represent San Francisco, particularly so in conjunction with my colleague, the gentleman from California (Mr. LANTOS), who spoke so eloquently against this amendment earlier. But we all respect our cities that we represent and we respect our colleagues; and when we ask them to vote for something, we should be on the level with them.

When this legislation comes to the floor, it is about local autonomy. I do not think that the VA–HUD bill is the appropriate venue for us to have a discussion about domestic partners. I do not think it is the appropriate venue for us to tell all the corporations in America, many of the largest corporations in America, and I have the list which I will submit for the RECORD, that what they are doing is immoral and indecent. Perhaps the gentleman thinks that is a legitimate debate for this Congress to have. Let him bring it up as an authorizing measure, but not to interfere with this VA–HUD bill.

Mr. Chairman, I include for the RECORD the amendments offered by the gentleman from California (Mr. RIGGS):

Amendment No. 15. At the end of the bill, insert after the last section (preceding the short title) the following new section:

SEC. XX. None of the funds appropriated by this Act may be provided to the City of San Francisco because the City requires, as a condition for an organization to contract with, or receive a grant from, the City, that the organization provide health care benefits for unmarried, domestic partners of individuals who are provided such benefits on the basis of their employment by or other relationship with the organization.

Amendment No. 24. At the end of the bill, insert after the last section (preceding the short title) the following new section:

SEC. XX. None of the funds appropriated by title II may be provided to any locality that requires as a condition for an organization to contract with, or receive a grant from, the locality, that the organization provide health care benefits for unmarried, domestic partners of individuals who are provided such benefits on the basis of their employment by or other relationship with the organization.

Amendment No. 25. At the end of the bill, insert after the last section (preceding the short title) the following new section:

SEC. XX. None of the funds appropriated by title II may be provided to the political entity known as the City and County of San Francisco, California.

Amendment No. 30. At the end of the bill, insert after the last section (preceding the short title) the following new section:

SEC. XX. None of the funds appropriated by this Act may be used to implement Chapter 12B of the Administrative Code of San Francisco, California.

Amendment No. 31. At the end of the bill, insert after the last section (preceding the short title) the following new section:

SEC. XX. None of the funds appropriated by this Act may be used to implement section 12B.2(b) of the Administrative Code of San Francisco, California.

Mr. KENNEDY of Rhode Island. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I want to echo some of the comments that have been made by my colleagues, most particularly the comments just made by my colleague, the gentleman from California (Mr. LEWIS), with respect to the marketplace and the fact that, in these instances, the marketplace dictates that these provisions do be provided. Do my colleagues know why? In order to get the best people.

These provisions need to be provided because, in this tight labor market, employers want to make sure they get the best possible talent. And I am sure the gentleman from California (Mr. RIGGS) means no slight to those who are receiving human services. Because, obviously, we want the best people out there who are capable of delivering human services to be the people that we have deliver human services. We would not want to shut out anybody from being able to deliver those human services.

So I think we need to address that point that the gentleman from California (Mr. LEWIS) brought up, because I think it is a very good point. It is not a matter of these private companies having extra money so they can dig into their pockets and do something that feels good. These companies adhere to stock markets. They need to provide the best maximum profit. And the reason they know they can do it and provide these benefits is because they know they are going to get the best possible people. The City of San Francisco should be no different from these private corporations.

Mr. Chairman, I just want to bring to the attention of my colleagues in the House, however, the issue that is being brought up here, the issue with respect to local autonomy. It has been echoed over and over again that the Council of Mayors has rejected the Riggs amendment. They have spoken very strongly on this issue. I want to add that the National Association of Counties and County Executives has also come out vigorously against the Riggs amendment because of its usurpation of local control.

But I want to bring to the attention of my colleagues the fact that this really is usurping local control. In fact, so much so that it will undoubtedly end up in the courts. I am not making anything up here, when the gentleman from California (Mr. RIGGS) himself acknowledges that the only city that is going to be affected is San Francisco.

Mr. Chairman, I thought we were passing a bill that would provide coverage to all the cities and towns in America. But, apparently, the gentleman wants to micromanage and effect a policy in one city in this country. To me, that violates the case of Romer v. Evans, which said that Congress cannot pass any bill of attainder which specifies that Congress cannot carve out one city and town or person for direct impact when passing any legislation. That any legislation that the Congress proposes must impact the whole body of general information that the amendment seeks to change, and it cannot specify in one instance. So, for that reason, this will be tied up in the courts.

Let me tell my colleagues what will practically be the result of when this is tied up in the courts. When this is tied up in courts, it will tie up approximately $65 million in Federal funds which will be tied up. What are those funds? The very programs that the gentleman from California (Mr. RIGGS) says he cares about are going to be compromised because of his amendment.

Homeless people are not going to get the McKinney Grant funds because of the Riggs amendment. People who are homeless because of AIDS are not going to get the necessary Federal funds because the gentleman from California is on this political witch-hunt.

So do not think that this is any old amendment for Members to go in there and cover themselves with political stripes saying, ''I was strong today because I stood up and beat up on some minority in this country and was able to scapegoat some group in this country.'' Do not be so quick to do that, because when we do that we are affecting real people's lives. Real people are going to be affected by this, because of some ideological march that the gentleman from California is on.

Mr. Chairman, I would ask my colleagues to join the gentleman from California (Mr. LEWIS) and others in rejecting this mean-spirited, bigoted, bigoted amendment.

Mr. MICA. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, there has been a great deal of comment from the other side on this issue, and I think it is only fair that I yield to the gentleman from California (Mr. RIGGS) so that he may respond.

Mr. RIGGS. Mr. Chairman, I thank the gentleman from Florida (Mr. MICA) for yielding this time to me. I do want the opportunity to respond, since the previous speaker in the well I think just referred to me as being ''mean-spirited'' and ''bigoted.'' I guess the proper thing to do is to consider the source.

But I also want to respond by saying that I did not know the gentleman

from Rhode Island (Mr. KENNEDY) was a constitutional expert. I did not realize he was a legal scholar.

Mr. Chairman, I do realize that he is reading from a letter, because I have a copy of the same letter. I can read from the same letter. I have a copy from the ACLU, the Washington office, which the gentleman, the renowned constitutional scholar, was just referring to regarding, ''The Riggs amendment is an unconstitutional bill of attainder.'' But right above that it says, in their opinion, ''the sole objective of the Riggs amendment is to punish San Francisco for attempting to use its municipal spending powers to help equalize health care benefits for married heterosexual couples and unmarried, due to State law, homosexual couples.''

That is kind of a convoluted way, I guess, of explaining their interpretation of my amendment. But it is the purpose of my amendment not to allow them to use Federal taxpayer funding to condition contracts to equate married heterosexual couples with, as they put it, unmarried homosexual couples.

I also want to respond to a couple of points. The gentlewoman from California (Ms. PELOSI) is correct. I stand corrected. We apparently had five versions of the amendment, three of which we drafted in 1 day.

It is rare that one can stand up on the floor and get criticized by one's colleagues for making a good-faith effort. I served with the gentlewoman on the Committee on Appropriations in the last Congress, so I am well aware of the tactics. It is rare that when one makes a good-faith effort to address, as I said at the outset, legitimate concerns raised by one's colleagues that one is then criticized for raising those efforts.

Be that as it may, I want to go back to Salvation Army and Catholic Charities. I will insert the San Francisco Examiner article in the RECORD at the appropriate time that quotes Mr. Richard Love, an appropriate name, spokesman for the Salvation Army who said that, after 11 months of negotiation, the organization told city officials that it could not comply with the ordinance. It is giving up $3.5 million in city contracts to serve the needy. Three programs, including meals for 1,700 senior citizens, received taxpayers' dollars and will be reduced, but the programs will not be closed.

So it seems to me that the actual effect at the local level was exactly the opposite of what the gentleman from Rhode Island (Mr. KENNEDY), in a kind of hysterical rhetoric, was trying to describe.

The part about Catholic Charities though, well, staying on Salvation Army, it quotes Mr. Love as saying, as I pointed out to the gentleman from California (Chairman LEWIS), chairman of the subcommittee and the primary author of the legislation, ''The Salvation Army objects to the domestic partners law on religious grounds.

''The Army's belief system, grounded in traditional interpretation of Scripture, does not perceive domestic partnership arrangements as similar to the sanctity granted marriage partners.''

That is the position of the Salvation Army. But then they went on to say that the Salvation Army says that the group will continue to ''provide services to individuals, regardless of race, religion, sexual orientation, or marital status.'' They just do not want this policy forced on them, because it contradicts their founding principles and the beliefs that they have long adhered to. They have been in San Francisco for 118 years.

Mr. Chairman, with respect to Catholic Charities, and this I do want to personally address to the gentleman from Rhode Island (Mr. KENNEDY), since he is a member of one of best-known Catholic families in America, it says, ''Last year the City of San Francisco and the Roman Catholic Archdiocese of San Francisco, which has affiliated agencies with city contracts, fought the mandate.''

Mr. Chairman, I would say to the gentlewoman from California (Ms. PELOSI) they fought the mandate. They did not go along with it, Catholic Charities. ''In the end, they reached an accommodation which allows employees of Catholic agencies, or any other organization doing business with the city, to designate someone in their household as eligible to receive spousal-equivalent benefits, and that could include a spouse, a sibling, other relative, or other married partner. Citing Church doctrine, the Archdiocese has been a vocal foe of sanctioning domestic partner relations, homosexual or otherwise.''

So I think it is very inappropriate to give the impression that Catholic Charities went along willingly.

Ms. WOOLSEY. Mr. Chairman, I move to strike the requisite number of words.

Ms. PELOSI. Mr. Chairman, will the gentlewoman yield?

Ms. WOOLSEY. I yield to the gentlewoman from California.

Ms. PELOSI. Mr. Chairman, let the RECORD show that no one here says that Catholic Charities approved of domestic partners laws. What we are saying is that no law in San Francisco forces Catholic Charities to accept domestic partners laws or stops it from contracting with the City.

Catholic Charities and the City of San Francisco have reached their accommodation. There is no fight here in our city on this issue. I do not know why the gentleman from California (Mr. RIGGS) wants to start one on this floor.

Ms. WOOLSEY. Mr. Chairman, reclaiming my time, I rise in strong opposition to this amendment, an amendment designed to prevent San Francisco from requiring their contractors to offer domestic partner benefits.

This legislation is discriminatory, hypocritical, mean-spirited and ill-conceived. This legislation is hypocritical because it blatantly denies local control. In essence, it says local officials are free to make decisions about local issues, unless we, the Federal Government and individuals in the Congress, do not agree with that local decision.

I thought Republicans wanted more, not less local control. I guess I was wrong.

This amendment is discriminatory because it once again singles out one group, gays and lesbians, for second-class treatment.

This legislation is mean-spirited because it will deny thousands of people living in domestic partnerships the funds that they need to have health care for themselves.

Finally, the amendment offered by the gentleman from California (Mr. Riggs) is ill-conceived because it is an attempt to play politics with the vitally important appropriations process.

This amendment, which has wide-reaching implications for our country through precedents, if through no other way, was rushed to the House Floor without going through the normal committee process because the right-wing element in this country wants to score some political points.

The fact is, Mr. Chairman, San Francisco chooses to view domestic partnership as a legitimate life-style, a choice that thousands of people make. The Federal Government has no right to tell San Francisco what is right or what is wrong.

□ 1745

The Federal Government has no place in interfering with local decisions. This Congress has no place in judging another person's lifestyle.

I urge my colleagues to make this truly moral choice and vote against this amendment and support the principle of home rule.

Ms. FURSE. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, this is an amazing day. We have a member of Congress, the gentleman from California (Mr. RIGGS) who has decided that he knows better than San Francisco council members who were elected by San Francisco city citizens.

Wake up, citizens of Portland, Oregon and Portland, Maine. Understand that this amendment affects you and the people you elect.

In fact, this amendment is an equal opportunity offender. It is offensive on a bipartisan basis. It is offensive to the people of this country, and it is offensive to the whole issue of home rule.

I say we should vote for local control, stop the nonsense, vote against the Riggs amendment.

Mr. DAVIS of Illinois. Mr. Chairman, I move to strike the requisite number of words.

Those who would take this amendment lightly or who would sit on the sidelines of this debate, I would warn them, because it reminds me of the words of Martin Niemoeller commenting on Nazi Germany. He said that, they came first for the Communists,

and I did not speak up because I was not a Communist. Then they came for the Jews, and I did not speak up because I was not a Jew. Then they came for the trade unionists and I did not speak because I was not a trade unionist. Then they came for the Catholics, I did not speak. I was a Protestant. Then they came for me. And no one was left to speak up.

Mr. Chairman, I rise to speak up for those individuals who would be affected by this amendment. It is the City of San Francisco today, could be New York tomorrow, Los Angeles next week, New Orleans next month and even perhaps Chicago next year. I rise against this amendment because I agree with those who have suggested that it is indeed a mean-spirited maneuver that is designed to punish a certain group of individuals in one particular city.

This amendment would bar the City of San Francisco from using HUD funds to execute its entire city ordinance against discrimination in city contracts. If enacted, the well-being of tens of thousands of veterans, disabled people, children, victims of natural disasters, individuals with HIV and AIDs would be jeopardized in order to punish a locality.

I agree with those who have stressed the issue of local control, home rule, citizenship, meaning that people can decide what it is that they will and will not do. I would hate to see us move back to the days of witch-hunting, back to the days of trying to determine what others should and should not do. But I simply close, Mr. Chairman, by saying that I strongly oppose any measure that seeks to discriminate based on sexual orientation, and I urge my colleagues to reject this amendment and let America be America, the America that it has never been but the America that it can and must become.

Mrs. LOWEY. Mr. Chairman, although the sponsor of this amendment would have us believe that this amendment is not as egregious as its earlier incarnation, the fundamental fact remains: its purpose is to nullify a duly adopted local ordinance, micro-manage a city, and punish those who don't share a narrow-minded vision of America.

I have to ask why, in the Congress where Members on both sides of the aisle routinely preach the virtues of states' rights, local governance, and devolution of federal power, we're even considering such a thing. This amendment is really the height of hypocrisy.

If the people of San Francisco—or any city for that matter—have chosen to use their municipal spending powers to prohibit discrimination in city contracts and help equalize health benefits for married heterosexual couples and unmarried same-sex couples, what business do we have in stepping in and overruling that action?

As the U.S. Conference of Mayors has stated, passage of this amendment ''would establish a very dangerous precedent.'' It could harm more than 30,000 people who benefit from federal funding for low-income elderly housing, homeless programs, and housing for people with AIDS. It also would serve to blackmail other municipalities who—through the democratic process—want to adopt similar ordinances that prohibit discrimination in city contracts.

Call me cynical, but I don't believe the sponsors have had a change in heart on the issue of local control. The truth is that, in this election season, the Republican leadership has decided it's in their political interest to push proposals backed by the Radical Right in order to mobilize their base for the November elections.

This amendment is just one in a series of attacks on those who don't fit the Right Wing's vision of America. In the next few days we'll debate an amendment to strip gay and lesbian federal employees of basic protections against being fired simply because of their sexual orientation.

This is not the direction we should be heading in. I urge all Members to defeat the Riggs Amendment and work instead on bringing *all* Americans together.

Ms. DELAURO. Mr. Chairman, I rise today in strong opposition to the Riggs Amendment, which is a unacceptable intrusion into local affairs. My colleagues on the other side of the aisle constantly preach to us about government intrusion into local affairs. According to them, government has no place in education. No place in protecting our environment. No place in protecting the safety of American workers.

But when it suits their purpose, it suddenly becomes acceptable to dictate how a city should run its affairs. San Francisco has been a model for the nation in providing benefits for domestic partners. This is a policy determined by San Francisco's government. This is a policy supported by San Francisco's citizens. This is a policy meant to end discrimination and ensure equality under the law.

This amendment would single out the city of San Francisco for punishment because it enacted a policy that the Congressional Majority just doesn't like. Requiring any city to go against its own ordinance in order to use federal funds is simply unacceptable. Congress has no place dictating local affairs to this extent. That's why this amendment is opposed by the U.S. Conference of Mayors, which called it an ''unwarranted intrusion into local decision making.''

I urge my colleagues to stand up for local decision making and for civil rights and oppose this amendment.

Mr. NADLER, Mr. Chairman, I rise today in strong opposition to this amendment.

This amendment flies in the face of the ideals that many of its proponents purport to hold dear. In debates after debate, my colleagues from the other side of the aisle warn darkly of the dangers of intruding into the affairs of State and local governments. Is that not exactly the effect of this amendment? Some may say that those who have espoused the belief that State and local governments deserve autonomy would be committing a gross act of hypocrisy if they were to support this amendment.

Beyond that fact, I urge my colleagues to oppose this amendment because it is outrageously mean-spirited. This amendment is a blatant effort to deny gay men and lesbians, who live as domestic partners, health benefits through their partners' employment.

If this amendment were to become law, San Francisco and other cities fearing government intervention would be forced to choose between ensuring their domestic partners receive appropriate health care benefits or, ensuring that funding is available to assist those in need of adequate housing. This is nothing short of blackmail. By punishing localities that set policies that help ensure equal rights in health care benefits, thousands would be hurt through the loss of Federal housing dollars.

In the past few weeks, we have hear much from some Members from the other side of the aisle about their views on homosexuality. Now, these appalling statements are being put into action through attempts, such as this amendment, to legislate away rights that have been hard fought and won fair and square. This level of bigotry must not be tolerated in this body. We must not stand by and allow such a mean-spirited and dangerous amendment to prevail. I urge my colleagues to oppose this amendment.

Ms. JACKSON-LEE of Texas. Mr. Chairman, I appreciate the opportunity to speak on this issue tonight. The Riggs amendment would unfairly deny Federal funds to any locality that requires private companies and organizations contracting with the locality to provide health care benefits to unmarried domestic partners of its employees.

Equality in employee compensation is a legitimate public policy goal recognized by a myriad of different entities including cities, municipalities, private and public colleges and universities and private employers both large and small.

This amendment infringes on the right of local government to operate freely and without gross Federal interference. The passage of this amendment would affect an enormous demographic pool. The private lives of our workers and who they choose as life partners should not interfere with their ability to receive spousal benefits. Thousands of people including veterans, the disabled, the elderly, and victims of natural disaster would lose access to spousal benefits, along with the targets of this amendment—the gay and lesbian community.

It is irresponsible for Congress to act on such an important matter without appropriate committee considerations and debate. Equality in employee compensation is a legitimate public policy goal and when employees are denied benefits for their life partners, they are being unequally compensated as compared to their married co-workers, as defined in this amendment. I urge my colleagues to vote ''No'' on the Riggs amendment.

Ms. LEE. Mr. Chairman, I rise today in strong opposition to this outrageous amendment. Mr. Speaker, this bill brings me memories from my childhood, but not a single good one. I remember how excited I was about going to school. The sad reality was that when I started school, I was unable to attend public schools because education was segregated. I was unable to attend public schools because of the color of my skin. I was unable to attend public schools because I was black. It did not matter that my father proudly served in the military with patriotism risking his life to protect my freedom and that of others regardless of skin color. No, it didn't matter. I, like many others, was subjected to the painful calvary of discrimination. It wasn't until many courageous men and women from all over the country decided to join forces to fight prejudice and the injustice of segregation that these barriers were broken. I learned so much from those

experiences and there is one lesson I will never forget, discrimination—no matter what form it takes—is wrong.

Mr. Speaker, this amendment has gone through four rewrites. Not one, not two, not three, but four rewrites and the latest version is still unfair, invasive, and unconstitutional. Mr. Speaker, the San Francisco's civil rights ordinance has the full support of the City and County of San Francisco, its elected mayor and Board of Supervisors. This amendment constitutes nothing but a chilling attack on San Francisco's civil rights laws. It sends out to undermine the civil rights laws of the City and County of San Francisco, a prospect that should sound alarm bells for anyone who supports the effort to attain civil rights in this nation.

Mr. Speaker, I thought that our friends on the other side of the aisle were in favor of more powers for local government not against. Well, may be I'm reading the wrong papers or may be it is that some people have decided to be selective about who to attack, when to attack, and why. If we are the House of the people, we are not to violate their trust by launching a malicious attack on the City of San Francisco and its wonderful people. But the people of San Francisco are not the only ones opposing this amendment. The U.S. Conference of Mayors has indicated that they are ''* * * seriously concerned with this unwarranted intrusion into local decision making * * *'' Mr. Speaker, the passage of this amendment would establish a frightening precedent, which is why the U.S. Conference of Mayors, the National Association of Counties, the City of Los Angeles, and others have voiced strong opposition to the amendment.

Mr. Speaker, I come from a religious family and I continue to practice my faith. I learned early in life that if we believe in justice we also need to believe in tolerance and respect. Mr. Speaker, I have no doubt in my heart that every single Member of this House agrees with me that discrimination is wrong. Every single person is created equal! If that is the case we need to oppose this attack on civil rights. I encourage my fellow Members to vote no on this amendment.

Ms. NORTON. Mr. Chairman, the Riggs Amendment might just as well be called the ''Join the District of Columbia Club'' amendment. Until now, bald intrusion into the affairs of a local jurisdiction was confined to the nation's capital. Now another noble city joins the ranks of local jurisdictions run by the Congress of the United States.

San Francisco local code not only bars discrimination based on sexual orientations; San Francisco requires contractors who benefit from city contracts to provide health care and other benefits to domestic partners only if they provide these same benefits to married partners. This is a wise policy because it assures health care at no cost to the city from companies who profit from city contracts. Otherwise the city of San Francisco might well be left to pay for the health care of people with AIDS or other illnesses.

Is there nothing we will not do to promote gay bashing? Some of the most revered principles in this chamber have been sacrificed in the name of anti-gay chest thumping—religious tolerance, civil rights, privacy, service in the armed forces, and now, devolution and local control. We've done enough harm through Federal laws. But this is still a Federal republic. Let each jurisdiction decide its own local laws locally.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California (Mr. RIGGS).

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. RIGGS. Mr. Chairman, I demand a recorded vote, and, pending that, I make the point or order that a quorum is not present.

The CHAIRMAN. The Chair will count for a quorum.

Evidently a quorum is not present.

Pursuant to clause 2 of rule XXIII, the Chair announces that he will reduce to a minimum of 5 minutes the period of time within which a vote by electronic device, if ordered, will be taken on the pending question following the quorum call. Members will record their presence by electronic device.

The call was taken by electronic device.

The following Members responded to their names:

[Roll No. 348]

Abercrombie
Ackerman
Aderholt
Allen
Andrews
Archer
Armey
Bachus
Baesler
Baker
Baldacci
Ballenger
Barcia
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bateman
Becerra
Bentsen
Bereuter
Berman
Berry
Bilbray
Bilirakis
Bishop
Blagojevich
Bliley
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bonior
Bono
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brady (TX)
Brown (CA)
Brown (FL)
Brown (OH)
Bryant
Bunning
Burr
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cannon
Capps
Cardin
Carson
Castle
Chabot
Chambliss
Chenoweth
Christensen
Clay
Clayton
Clement
Clyburn
Coble
Coburn
Collins
Combest
Condit
Conyers
Cook
Cooksey
Costello
Cox
Coyne
Cramer
Crane
Crapo
Cubin
Cummings
Cunningham
Danner
Davis (FL)
Davis (IL)
Davis (VA)
Deal
DeFazio
Delahunt
DeLauro
DeLay
Deutsch
Diaz-Balart
Dickey
Dicks
Dingell
Dixon
Doggett
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
Engel
English
Ensign
Eshoo
Etheridge
Evans
Everett
Ewing
Farr
Fattah
Fawell
Fazio
Filner
Foley
Forbes
Ford
Fossella
Fowler
Fox
Franks (NJ)
Frelinghuysen
Furse
Gallegly
Ganske
Gejdenson
Gekas
Gephardt
Gibbons
Gilchrest
Gillmor
Gilman
Goode
Goodlatte
Goodling
Gordon
Goss
Graham
Granger
Green
Greenwood
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hamilton
Hansen
Hastert
Hastings (FL)
Hastings (WA)
Hayworth
Hefley
Hefner
Herger
Hill
Hilleary
Hilliard
Hinchey
Hinojosa
Hobson
Hoekstra
Holden
Hooley
Horn
Hostettler
Houghton
Hoyer
Hulshof
Hunter
Hutchinson
Hyde
Inglis
Istook
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
John
Johnson (CT)
Johnson (WI)
Johnson, E. B.
Johnson, Sam
Jones
Kanjorski
Kaptur
Kasich
Kelly
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kilpatrick
Kim
Kind (WI)
King (NY)
Kingston
Kleczka
Klink
Klug
Knollenberg
Kolbe
Kucinich
LaFalce
LaHood
Lampson
Lantos
Largent
Latham
Lazio
Leach
Lee
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
Lipinski
Livingston
LoBiondo
Lofgren
Lowey
Lucas
Luther
Maloney (CT)
Maloney (NY)
Manton
Manzullo
Markey
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCrery
McDermott
McGovern
McHale
McHugh
McInnis
McIntosh
McIntyre
McKeon
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Metcalf
Mica
Millender-McDonald
Miller (CA)
Miller (FL)
Minge
Mink
Mollohan
Moran (KS)
Moran (VA)
Morella
Murtha
Myrick
Nadler
Neal
Nethercutt
Neumann
Ney
Northup
Norwood
Nussle
Oberstar
Obey
Olver
Ortiz
Owens
Oxley
Packard
Pallone
Pappas
Parker
Pascrell
Pastor
Paul
Paxon
Pease
Pelosi
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pickett
Pitts
Pombo
Pomeroy
Porter
Portman
Poshard
Price (NC)
Pryce (OH)
Quinn
Radanovich
Rahall
Ramstad
Redmond
Regula
Reyes
Riggs
Riley
Rivers
Rodriguez
Roemer
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Rothman
Roukema
Roybal-Allard
Royce
Rush
Ryun
Sabo
Sanchez
Sanders
Sandlin
Sanford
Sawyer
Saxton
Schaefer, Dan
Schaffer, Bob
Schumer
Scott
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Shimkus
Shuster
Sisisky
Skaggs
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (OR)
Smith (TX)
Smith, Adam
Smith, Linda
Snowbarger
Snyder
Solomon
Souder
Spence
Spratt
Stabenow
Stearns
Stenholm
Stokes
Strickland
Stump
Stupak
Sununu
Talent
Tanner
Tauscher
Tauzin
Taylor (MS)
Taylor (NC)
Thomas
Thompson
Thornberry
Thune
Thurman
Tiahrt
Tierney
Towns
Traficant
Turner
Upton
Vento
Visclosky
Walsh
Wamp
Waters
Watkins
Watt (NC)
Watts (OK)
Waxman
Weldon (FL)
Weldon (PA)
Weller
Wexler
Weygand
White
Whitfield
Wicker
Wilson
Wise
Wolf
Woolsey
Wynn
Young (AK)

☐ 2009

The CHAIRMAN. Four hundred fourteen Members have answered to their name, a quorum is present, and the Committee will resume its business.

RECORDED VOTE

The CHAIRMAN. The pending business is the demand of the gentleman from California (Mr. RIGGS) for a recorded vote.

A recorded vote was ordered.

The CHAIRMAN. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 214, noes 212, not voting 8, as follows:

[Roll No. 349]

AYES—214

Aderholt	Graham	Pickering
Archer	Granger	Pickett
Armey	Greenwood	Pitts
Bachus	Gutknecht	Pombo
Baesler	Hall (OH)	Portman
Baker	Hall (TX)	Pryce (OH)
Ballenger	Hamilton	Quinn
Barr	Hansen	Radanovich
Barrett (NE)	Hastert	Ramstad
Bartlett	Hastings (WA)	Redmond
Barton	Hayworth	Regula
Bateman	Hefley	Riggs
Bereuter	Herger	Riley
Berry	Hill	Roemer
Bilirakis	Hilleary	Rogan
Bishop	Hobson	Rogers
Bliley	Hoekstra	Rohrabacher
Blunt	Holden	Ros-Lehtinen
Boehner	Hostettler	Roukema
Bonilla	Hulshof	Royce
Bono	Hunter	Ryun
Brady (TX)	Hutchinson	Salmon
Bryant	Hyde	Sandlin
Bunning	Inglis	Scarborough
Burr	Istook	Schaefer, Dan
Buyer	Jenkins	Schaffer, Bob
Callahan	John	Sensenbrenner
Calvert	Johnson, Sam	Sessions
Camp	Jones	Shadegg
Canady	Kasich	Shimkus
Cannon	Kim	Shuster
Chabot	King (NY)	Skeen
Chambliss	Kingston	Skelton
Chenoweth	Klug	Smith (MI)
Christensen	Knollenberg	Smith (NJ)
Coble	LaHood	Smith (OR)
Coburn	Largent	Smith (TX)
Collins	Latham	Smith, Linda
Combest	Lewis (KY)	Snowbarger
Cook	Linder	Solomon
Cooksey	Lipinski	Souder
Costello	Livingston	Spence
Cox	LoBiondo	Stearns
Cramer	Lucas	Stenholm
Crane	Manzullo	Stump
Crapo	McCollum	Sununu
Cunningham	McHugh	Talent
Danner	McInnis	Tanner
Deal	McIntosh	Tauzin
DeLay	McIntyre	Taylor (MS)
Diaz-Balart	McKeon	Taylor (NC)
Dickey	Metcalf	Thomas
Doolittle	Mica	Thornberry
Dreier	Moran (KS)	Thune
Duncan	Myrick	Tiahrt
Dunn	Nethercutt	Traficant
Ehlers	Neumann	Turner
Ehrlich	Ney	Upton
Emerson	Northup	Walsh
Everett	Norwood	Wamp
Ewing	Nussle	Watkins
Fawell	Ortiz	Watts (OK)
Fossella	Oxley	Weldon (FL)
Fox	Packard	Weldon (PA)
Gallegly	Pappas	Weller
Ganske	Parker	Whitfield
Gekas	Paul	Wicker
Gibbons	Paxon	Wilson
Gillmor	Pease	Wolf
Goode	Peterson (MN)	Young (AK)
Goodlatte	Peterson (PA)	
Goodling	Petri	

NOES—212

Abercrombie	Brown (FL)	DeLauro
Ackerman	Brown (OH)	Deutsch
Allen	Campbell	Dicks
Andrews	Capps	Dingell
Baldacci	Cardin	Dixon
Barcia	Carson	Doggett
Barrett (WI)	Castle	Dooley
Bass	Clay	Doyle
Becerra	Clayton	Edwards
Bentsen	Clement	Engel
Berman	Clyburn	English
Bilbray	Condit	Ensign
Blagojevich	Conyers	Eshoo
Blumenauer	Coyne	Etheridge
Boehlert	Cubin	Evans
Bonior	Cummings	Farr
Borski	Davis (FL)	Fattah
Boswell	Davis (IL)	Fazio
Boucher	Davis (VA)	Filner
Boyd	DeFazio	Foley
Brady (PA)	DeGette	Forbes
Brown (CA)	Delahunt	Ford
Fowler	Levin	Rangel
Frank (MA)	Lewis (CA)	Reyes
Franks (NJ)	Lewis (GA)	Rivers
Frelinghuysen	Lofgren	Rodriguez
Frost	Lowey	Rothman
Furse	Luther	Roybal-Allard
Gejdenson	Maloney (CT)	Rush
Gephardt	Maloney (NY)	Sabo
Gilchrest	Manton	Sanchez
Gilman	Markey	Sanders
Gordon	Martinez	Sanford
Goss	Mascara	Sawyer
Green	Matsui	Saxton
Gutierrez	McCarthy (MO)	Schumer
Harman	McCarthy (NY)	Scott
Hastings (FL)	McCrery	Serrano
Hefner	McDermott	Shaw
Hilliard	McGovern	Shays
Hinchey	McHale	Sherman
Hinojosa	McKinney	Sisisky
Hooley	McNulty	Skaggs
Horn	Meehan	Slaughter
Houghton	Meek (FL)	Smith, Adam
Hoyer	Meeks (NY)	Snyder
Jackson (IL)	Menendez	Spratt
Jackson-Lee (TX)	Millender-McDonald	Stabenow
Jefferson	Miller (CA)	Stark
Johnson (CT)	Miller (FL)	Stokes
Johnson (WI)	Minge	Strickland
Johnson, E. B.	Mink	Stupak
Kanjorski	Mollohan	Tauscher
Kaptur	Moran (VA)	Thompson
Kelly	Morella	Thurman
Kennedy (MA)	Murtha	Tierney
Kennedy (RI)	Nadler	Torres
Kennelly	Neal	Towns
Kildee	Oberstar	Velazquez
Kilpatrick	Obey	Vento
Kind (WI)	Olver	Visclosky
Kleczka	Owens	Waters
Klink	Pallone	Watt (NC)
Kolbe	Pascrell	Waxman
Kucinich	Pastor	Wexler
LaFalce	Payne	Weygand
Lampson	Pelosi	White
Lantos	Pomeroy	Wise
Lazio	Poshard	Woolsey
Leach	Price (NC)	Wynn
Lee	Rahall	

NOT VOTING—8

Burton	McDade	Yates
Gonzalez	Moakley	Young (FL)
LaTourette	Porter	

□ 2016

So the amendment was agreed to.

The result of the vote was announced as above recorded.

PERSONAL EXPLANATION

Mr. PORTER. Mr. Speaker, earlier this evening, although I was in the Capitol building, I did not hear the bell for the vote on Rollcall No. 349 and consequently was not present for the vote. Had I been present, I would have voted "no."

The CHAIRMAN. The Clerk will read the final lines of the bill.

The Clerk read as follows:

This Act may be cited as the ''Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1999''.

Ms. DELAURO. Mr. Chairman, I insert the following for the RECORD.

U.S. CONSUMER PRODUCT SAFETY COMMISSION

[Statement of Chairman Ann Brown, August 3, 1994]

CHILDREN'S SLEEPWEAR

I voted today to terminate the Commission's rulemaking proceeding to amend the Standards for the Flammability of Children's Sleepwear in sizes 0–6x and 7–14. I also voted to terminate the stay of enforcement after providing firms an adequate lead time to bring their sleepwear garments into compliance with the flammability standards.

The proposal approved by the Commission today would exempt so-called tight-fitting sleepwear garments from the flammability standards, and sleepwear garments for infants under one year of age. In considering whether to support continuing the rulemaking proceeding, I have made it clear that my primary concern is that the Commission take no action that would reduce the level of safety currently provided by the children's sleepwear standards. I am unable to support changing the sleepwear standards unless I can make the statutory findings that the changes would not present an unreasonable risk of the occurrence of fire leading to death or personal injury, or significant property damage. Since I am not convinced by the evidence currently available that I can make this finding, I cannot vote to support the proposed amendments.

I am concerned that the available data fail to support the conclusion that exempting tight fitting garments from the regulation will not decrease safety. Available injury and death data demonstrate to me that the sleepwear standards are working. Although incident data was not kept on a statistical basis before issuance of the sleepwear standards in 1972 (sizes 0–6x) and 1975 (sizes 7–14), it is clear that a significant number of burn injuries and deaths associated with children's sleepwear did occur. Over the years, the actual numbers of injuries and deaths associated with sleepwear injuries and deaths appear to have declined dramatically. Although there is speculation that this decline may be based on such things as the reduced number of persons smoking and safer appliance such as space heaters and ranges, it is merely speculation. It is just as likely that the injuries and deaths have declined because the sleepwear standards are working.

I recognize that there is a consumer preference for cotton children's sleepwear garments especially in infant sizes, and that the Commission staff has encountered difficulty in enforcing the sleepwear standards because of this consumer preference. I have taken this into account in reaching my decision. I understand and am sympathetic to these concerns.

I do not disagree with the staff's conclusion that tight-fitting cotton garments present less of a hazard than loose-fitting cotton garments. I am skeptical, however, of the staff's conclusion that if the standard is amended, parents will switch from loose-fitting cotton garments (e.g. t-shirts) to exempt tight-fitting sleepwear. There is no factual evidence of consumer demand for tight-fitting sleepwear. There is no factual evidence that consumers would switch from loose-fitting noncomplying garments to exempted tight-fitting garments. It is at least as likely that the purchase of tight-fitting garments will be at the expense of garments that meet the children's sleepwear flammability standards. If so, the level of safety afforded children may well be reduced. Further, even if skin tight garments could reduce burn injuries, I am concerned that it is not practical to think that consumers will actually sleep in them. We may well find that consumers purchase tight-fitting garments in larger sizes to increase comfort, thereby obviating any safety benefit staff has indicated might be achieved with tight-fitting garments.

Regarding the proposed exemption for sleepwear for infants less than six months of age, existing evidence shows that infants at this tender age are exposed to ignition sources. The exemption would cover at least 20% of sleepwear garments in sizes 0–14. I am unable to agree to an exemption that could leave these infants more vulnerable to injury or death.

U.S. CONSUMER
PRODUCT SAFETY COMMISSION,
Washington, DC, April 10, 1998.

Hon. ROSA DELAURO,
U.S. House of Representatives, Washington, DC.

DEAR CONGRESSWOMAN DELAURO: Thank you for your letter opposing the change in the CPSC's children's sleepwear standard. I appreciate your kind words about my opposition to the change. As you know, I share your views. I continue to be concerned that parents will not switch from loose fitting garments to tight fitting sleepwear. I also am unable to agree with the nine month exemption that could leave infants more vulnerable to injury.

In these circumstances, it appears the only remedy is legislative action to restore the previous rule. If you decide to introduce a bill to achieve that result, my staff and I would be pleased and honored to assist you in drafting an appropriate bill.

Sincerely,

ANN BROWN.

[From the Fort Worth Star-Telegram, Jul. 27, 1998]

SO NOW WE'RE BACK TO FLAMMABLE PAJAMAS?

(By Molly Ivins)

AUSTIN—Keeping your eye on the shell with the pea under it seems to get harder and harder. While the media are focused on the thrilling antics of Monica, Ken Starr and Co., there are just a few other itty-bitty items that you might want to pay some attention to. Your babies, for example. Congress is now engaged in a quiet donnybrook over whether to keep the old flammability standards for children's pajamas. Thought that one was over, did you? Thought that after the consumer movement forced pajama manufacturers to make kids' PJs from flame-resistant material back in 1972—and after the number of children burned to death every year from having their PJs catch on fire decreased tenfold—that no one was ever going to question whether that was a good idea again.

Wrong. Consumer protection is so politically incorrect these days that Congress won't even listen to groups representing firefighters and trauma care providers on this issue, much less consumer advocates.

The Consumer Product Safety Commission revised its flammability standards for sleepwear in 1996, in theory because parents were letting their kids sleep in oversize cotton T-shirts, which are comfortable but highly flammable. According to ''The Washington Post,'' from 200 to 300 kids a year are treated in emergency rooms for burns related to billowy sleepwear. Under the new standards, snug-fitting garments such as long underwear can be sold as sleepwear, and pajamas for infants younger than 9 months need not be flame-resistant.

Rep. Rosa DeLauro, D-Conn., introduced a bill in May to reinstate the earlier standards and then tried to tack it onto the VA–HUD bill as an amendment in June. Cotton lobbyists learned of the move and started lobbying Republicans—including Reps. Henry Bonilla, Larry Combest and Mac Thornberry, all of Texas.

Bonilla will move to strike DeLauro's amendment today. He told ''The Washington Post'' last week, ''I don't have a huge cotton constituency in my district, but my state does,'' and added that the Texas drought has already taken a toll on cotton farmers. ''They came to me and explained this would place severe restrictions on what they could produce.''

Excuse me—did I just hear someone say we should bail out the cotton farmers by letting more little kids get burned to death every year? Did anyone think to ask the cotton farmers whether they approve of this move? Because I seriously doubt that they do.

DeLauro said, ''It is just mind-boggling to me that we would allow special interests to influence this legislation.'' However, according to Bonilla's press secretary this week, his main motive here is procedural: DeLauro's bill never got a hearing, and here she is trying to tack it onto an unrelated bill.

I find this objection breathtaking—using the amendment-on-an-unrelated-bill maneuver has been a specialty of Republicans in this Congress. As previously reported, they have used unrelated bills to pass amendments damaging the environment, fouling up the Department of Interior's efforts to get a fair royalty from the oil companies (the Kay Bailey Hutchison special) and innumerable other horrors.

(The ''St. Louis Post-Dispatch'' recently editorialized: ''Republicans are sneakily trying to chisel away at environmental protections. . . . they are using the legislative rider to slip through anti-environmental bills that would wilt under the glare of public scrutiny. . . . This summer the riders have multiplied like E. coli.'')

In fact, I'd bet good money that the Republicans have done more actual legislation by the sneaky amendment-and-rider method than they have passed actual legislation (an easy bet, given their remarkable nonperformance in general). Boy oh boy, if that's now an objection on procedural grounds, these R's will never get anything passed.

We could go on and on with these examples, but let's take a look at the broader perspective instead.

There are two things we can do about corporate misbehavior in this society: We can have the government regulate corporations for health, safety and environmental damage, or we can let people who have been damaged by corporations haul them into court and sue the b-----. What is happening is that both avenues of control are being squeezed out of existence. ''Regulation'' is a dirty word to the Republicans, and at the same time they are restricting the right of citizens to sue in every way they possibly can.

According to a study by the Violence Policy Center, the latest effort was a bill placing wide-ranging limits on product liability lawsuits against ''small business.'' You may think that ''small business'' means the mom-and-pop candy stores. Nah. Specially included as a ''small favor'' in ''small business'' are, among others, manufacturers of Saturday-night-specials, the AK–47, the TEC–9 and the Street Sweeper. Cut, eh?

Look, friends, this is all fairly simple. Corporate money dominates politics, and the politicians dance with them what brung 'em. Until we force politicians to change the way campaigns are financed, rule by corporate money will continue. And while we're on the subject, please notice that corporations have put millions and millions and millions of dollars into the campaign to convince us that lawsuits against do-badding corporations are rotten, unfair and nasty. Welcome back to flammable pajamas.

The CHAIRMAN. If there are no further amendments, under the rule the Committee rises.

Accordingly, the Committee rose; and the Speaker pro tempore (Mr. LAHOOD) having assumed the chair, Mr. COMBEST, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 4194) making appropriations for the Departments of Veterans Affairs and Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 1999, and for other purposes, pursuant to House Resolution 501, he reported the bill, as amended pursuant to that rule, back to the House with further sundry amendments adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment?

Mr. COBURN. Mr. Chairman, I demand a separate vote on the so-called Coburn amendment.

The SPEAKER pro tempore. Is a separate vote demanded on any other amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER pro tempore. The Clerk will report the amendment on which a separate vote has been demanded.

The Clerk read as follows:

Amendment:

At the end of the bill, insert after the last section (preceding the short title) the following new sections:

SEC. _____. The amounts otherwise provided by this Act are revised by reducing the amount made available under the heading ''DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT—FEDERAL HOUSING ADMINISTRATION—FHA—MUTUAL MORTGAGE INSURANCE PROGRAM ACCOUNT'' for non-overhead administrative expenses necessary to carry out the Mutual Mortgage Insurance guarantee and direct loan program, and increasing the amount made available for ''DEPARTMENT OF VETERANS AFFAIRS—VETERANS HEALTH ADMINISTRATION—MEDICAL CARE'', by $199,999,999.

SEC. _____. The amounts otherwise provided by this Act are revised by reducing the amount made available under the heading ''DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT—FEDERAL HOUSING ADMINISTRATION—FHA—GENERAL AND SPECIAL RISK PROGRAM ACCOUNT'' for non-overhead administrative expenses necessary to carry out the guaranteed and direct loan programs, and increasing the amount made available for ''DEPARTMENT OF VETERANS AFFAIRS—VETERANS HEALTH ADMINISTRATION—MEDICAL CARE'', by $103,999,999.

Mr. COBURN (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

PARLIAMENTARY INQUIRIES

Mr. LEWIS of California. Parliamentary inquiry, Mr. Speaker.

The SPEAKER pro tempore. The gentleman will state his parliamentary inquiry.

Mr. LEWIS of California. Mr. Speaker, to clarify for the House, is this the amendment that will transfer administrative funds for FHA's program that are in the HUD provisions and move those moneys to veterans programs?

The SPEAKER pro tempore. Would the gentleman like the amendment read?

The reading of the amendment was suspended by unanimous consent and would the gentleman demand a reading of the gentleman from Oklahoma's amendment?

Mr. LEWIS of California. Mr. Chairman, I believe my question was clear.

Mr. WAXMAN. Parliamentary inquiry, Mr. Speaker.

The SPEAKER pro tempore. The gentleman will state his parliamentary inquiry.

Mr. WAXMAN. My inquiry is whether it is timely to ask for another separate vote in the House of an amendment adopted in committee.

The SPEAKER pro tempore. The House has proceeded past that opportunity when the Chair inquired earlier.

The question is on the amendment.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. COBURN. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 351, noes 73, not voting 10, as follows:

[Roll No. 350]

AYES—351

Abercrombie	Clyburn	Gallegly
Ackerman	Coble	Ganske
Aderholt	Coburn	Gejdenson
Allen	Collins	Gekas
Andrews	Combest	Gephardt
Archer	Condit	Gibbons
Armey	Cook	Gillmor
Bachus	Cooksey	Gilman
Baesler	Costello	Goode
Baker	Cox	Goodlatte
Baldacci	Coyne	Goodling
Ballenger	Cramer	Gordon
Barcia	Crane	Goss
Barr	Crapo	Graham
Barrett (NE)	Cubin	Granger
Barrett (WI)	Cunningham	Greenwood
Bartlett	Danner	Gutknecht
Barton	Davis (FL)	Hall (OH)
Bass	Davis (IL)	Hall (TX)
Bateman	Davis (VA)	Hamilton
Bereuter	Deal	Hansen
Berry	DeFazio	Hastert
Bilbray	DeLauro	Hastings (WA)
Bilirakis	DeLay	Hayworth
Bishop	Dickey	Hefley
Bliley	Dicks	Hefner
Blunt	Dingell	Herger
Boehlert	Dooley	Hill
Bonilla	Doolittle	Hilleary
Bono	Doyle	Hilliard
Borski	Dreier	Hinchey
Boswell	Duncan	Hinojosa
Boucher	Dunn	Hobson
Boyd	Edwards	Hoekstra
Brady (PA)	Ehlers	Holden
Brady (TX)	Ehrlich	Hooley
Brown (FL)	Emerson	Horn
Brown (OH)	Engel	Hostettler
Bryant	English	Houghton
Bunning	Ensign	Hulshof
Burr	Eshoo	Hunter
Buyer	Etheridge	Hutchinson
Callahan	Evans	Hyde
Calvert	Everett	Inglis
Camp	Ewing	Istook
Campbell	Farr	Jackson-Lee (TX)
Canady	Fattah	Jefferson
Cannon	Filner	Jenkins
Capps	Foley	John
Cardin	Forbes	Johnson (CT)
Carson	Ford	Johnson (WI)
Castle	Fossella	Johnson, E. B.
Chabot	Fowler	Johnson, Sam
Chambliss	Fox	Jones
Chenoweth	Franks (NJ)	Kanjorski
Christensen	Frelinghuysen	Kasich
Clement	Frost	Kelly
Kennelly	Nussle	Shays
Kildee	Ortiz	Shimkus
Kim	Oxley	Shuster
Kind (WI)	Packard	Sisisky
King (NY)	Pallone	Skeen
Kingston	Pappas	Skelton
Kleczka	Parker	Slaughter
Klink	Pascrell	Smith (MI)
Klug	Pastor	Smith (NJ)
LaHood	Paul	Smith (OR)
Lampson	Paxon	Smith (TX)
Lantos	Pease	Smith, Adam
Largent	Peterson (MN)	Smith, Linda
Latham	Peterson (PA)	Snowbarger
LaTourette	Petri	Snyder
Leach	Pickering	Solomon
Levin	Pickett	Souder
Lewis (GA)	Pitts	Spence
Lewis (KY)	Pombo	Spratt
Linder	Pomeroy	Stabenow
Lipinski	Porter	Stearns
LoBiondo	Portman	Stenholm
Lowey	Poshard	Strickland
Lucas	Price (NC)	Stump
Maloney (CT)	Pryce (OH)	Stupak
Maloney (NY)	Quinn	Sununu
Manton	Radanovich	Talent
Manzullo	Rahall	Tanner
Mascara	Ramstad	Tauscher
Matsui	Redmond	Tauzin
McCarthy (MO)	Regula	Taylor (MS)
McCarthy (NY)	Reyes	Taylor (NC)
McCollum	Riggs	Thomas
McCrery	Riley	Thompson
McGovern	Rivers	Thornberry
McHale	Rodriguez	Thune
McHugh	Roemer	Thurman
McInnis	Rogan	Tiahrt
McIntosh	Rogers	Towns
McIntyre	Rohrabacher	Traficant
McKeon	Ros-Lehtinen	Turner
McKinney	Rothman	Upton
McNulty	Roukema	Visclosky
Menendez	Royce	Walsh
Metcalf	Ryun	Wamp
Mica	Salmon	Watkins
Millender-McDonald	Sanchez	Watts (OK)
Miller (FL)	Sanders	Weldon (FL)
Minge	Sandlin	Weldon (PA)
Mink	Sanford	Weller
Moran (KS)	Sawyer	Wexler
Morella	Saxton	Weygand
Murtha	Scarborough	White
Myrick	Schaefer, Dan	Whitfield
Nethercutt	Schaffer, Bob	Wicker
Neumann	Schumer	Wilson
Ney	Sensenbrenner	Wise
Northup	Serrano	Wolf
Norwood	Sessions	Wynn
	Shadegg	Young (AK)
	Shaw	

NOES—73

Becerra	Jackson (IL)	Neal
Bentsen	Kaptur	Oberstar
Berman	Kennedy (MA)	Olver
Blagojevich	Kennedy (RI)	Owens
Blumenauer	Kilpatrick	Payne
Bonior	Knollenberg	Pelosi
Brown (CA)	Kolbe	Rangel
Clayton	Kucinich	Roybal-Allard
Conyers	LaFalce	Rush
Cummings	Lazio	Sabo
DeGette	Lee	Scott
Delahunt	Lewis (CA)	Sherman
Deutsch	Livingston	Skaggs
Diaz-Balart	Lofgren	Stark
Dixon	Luther	Stokes
Doggett	Markey	Tierney
Fawell	Martinez	Torres
Fazio	McDade	Velazquez
Frank (MA)	McDermott	Vento
Furse	Meek (FL)	Waters
Gilchrest	Meeks (NY)	Watt (NC)
Green	Miller (CA)	Waxman
Gutierrez	Mollohan	Woolsey
Hastings (FL)	Moran (VA)	
Hoyer	Nadler	

NOT VOTING—10

Boehner	Harman	Yates
Burton	Meehan	Young (FL)
Clay	Moakley	
Gonzalez	Obey	

□ 2036

Mr. DOGGETT changed his vote from ''aye'' to ''no.''

Mr. SHAYS and Mr. ABERCROMBIE changed their vote from ''no'' to ''aye.''

So the amendment was agreed to.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore (Mr. LAHOOD). The question is on the engrossment and a third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time

MOTION TO RECOMMIT OFFERED BY MR. OBEY

Mr. OBEY. Mr. Speaker, I offer a motion to recommit.

The SPEAKER pro tempore. Is the gentleman opposed to the bill?

Mr. OBEY. I certainly am, Mr. Speaker.

The SPEAKER pro tempore. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. OBEY moves to recommit the bill, H.R. 4194, to the Committee on Appropriations with instructions to report the same back to the House with an amendment as follows:

On page 55, line 7, strike the sentence beginning on line 7, and strike section 425.

The SPEAKER pro tempore. The gentleman from Wisconsin (Mr. OBEY) is recognized for 5 minutes in support of his motion.

Mr. OBEY. Mr. Speaker, the rule under which this bill was considered contains a self-executing provision, the effect of which was to delay from anywhere between 2 and 5 years the Consumer Product Safety Commission's adoption of a rule protecting consumers from flammable furniture. Because of the way that rule was adopted, Members were precluded from offering any amendments to that provision.

The proponents of that provision will say that all this provision does is to allow for more study and to get more science before the Commission proceeds. In fact, in my view, the real purpose of this provision is to stall and stall and stall some more, in hopes that eventually they will get a commission with a different makeup so that the rule will never proceed at all.

Mr. Speaker, this is part of a pattern. What has been happening is that law firms around this town have been hired by clients. Those clients are hired to prevent action by the government to prevent consumers or workers from being protected by new actions of the government.

So whether it is children's pajamas or whether it is OSHA being precluded from offering a new rule to stop the development of carpal tunnel syndrome by millions of workers or whether it is consumers continuing to die because of flammable furniture, those law firms find friendly voices in Congress who will carry out their wishes and we wind up with language like this in the bill.

I think the issue is very simple in this case. More deaths occur in this country from upholstered furniture than from any other product under the Consumer Product Safety Commission jurisdiction.

So the vote is very simple. If Members want to vote to save lives, Members will vote for this amendment to allow the Commission to proceed to develop rules that will protect the public from flammable furniture. If Members want to let yet another industry continue to expose consumers to life-threatening products, then Members will vote against the amendment. It is as simple as that.

I would urge an aye vote on the motion to recommit.

Mr. LEWIS of California. Mr. Speaker, I rise in opposition to the motion to recommit.

Mr. Speaker, I strongly urge my colleagues to oppose this procedural motion.

Mr. Speaker, I yield to my colleague, the gentleman from Mississippi (Mr. WICKER).

Mr. WICKER. Mr. Speaker, I thank my chairman for yielding. I thank him for a good bill.

Mr. Speaker, I urge support of the bill and certainly urge defeat of the Obey motion to recommit with instructions.

In the 1970s, the Consumer Product Safety Commission issued a regulation concerning children's sleepwear, and in this 1970s regulation, the CPSC required that baby's sleepwear be coated with a chemical known as tris, T-R-I-S. Thereafter, the regulation went out and all of the baby sleepwear in America was coated with this chemical.

It turns out that this chemical caused cancer. It was a pesticide. It had to be recalled at enormous expense to the American people, at enormous danger to American consumers, and it continues to be a black mark on the history of the Consumer Product Safety Commission.

This is what then Congressman AL GORE had to say about the tris disaster with the Consumer Product Safety Commission: Quote, ''The magnitude of this nightmare is difficult to fathom. Here we take all of the sleepwear for children of this country and soak it in what is basically a pesticide, a mutagenic, and then we wrap up American children in these garments.'' I unquote then Congressman AL GORE.

Now, Mr. Speaker, if you believe this is the only mistake that the Consumer Product Safety Commission will ever make, then perhaps you need to vote for the motion to recommit by my friend from Wisconsin.

□ 2045

If my colleagues believe that Federal regulatory agencies are always right and never make a mistake and never need an outside scientist looking at what they propose, then maybe my colleagues should vote for the motion of the gentleman from Wisconsin (Mr. OBEY).

What are we talking about here? We are talking about a proposed regulation by the Consumer Product Safety Commission that says every bit of upholstered furniture in the United States of America will be coated with flame-retardant chemicals. My colleagues might ask, what is wrong with this? Let us just coat furniture with a flame-retardant chemical.

Well, here is the problem. EPA, our own Federal Government, says that these chemicals are harmful. Let me just list three of them, if I can pronounce them:

Decabromodiphenyl oxide. EPA says it is a class C carcinogen. It causes cancer.

Ammonium nitrate. Do my colleagues know what EPA says about this flame retardant chemical that would go on furniture? It says it causes adverse affects across whole ecosystems.

Antimony trioxide, a B2 carcinogen. It causes tumors.

That is what the Consumer Product Safety Commission is proposing that we put on furniture in the United States of America.

Now, if it does not bother my colleagues to have thousands and tens of thousands of Americans exposed to what the EPA says is a toxic chemical, then maybe my colleagues should vote for this motion.

Mr. Speaker, I think the scientists raise serious questions. We are all for saving lives. Every Member of this Congress wants to prevent fire-related deaths, and we have done that working through the subcommittee of the gentleman from California (Mr. LEWIS) and working with voluntary and mandatory programs with industries. But we need to ask ourselves the question: Are we preventing one kind of harm while allowing all sorts of other dangers to come about?

How do we resolve questions like this? We do not make the decisions ourselves. We are elected officials. We turn it over to science. And in this Federal Government, we have procedures for reasonable scientific peer review; and, despite the hyperbole, that is exactly what this well-crafted bill and well-crafted compromise by the gentleman from California (Mr. LEWIS) does. It turns the issue over to scientists within the Consumer Product Safety Commission. It turns it over to scientists within the National Institutes of Health, an agency that we are plussing up the funding for.

So I say when my colleagues vote in just a moment, vote against taking unwarranted risks with American industrial workers and consumers. Vote for sound science. Vote for the bill and against the Obey motion to recommit.

The SPEAKER pro tempore. Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The SPEAKER pro tempore. The question is on the motion to recommit.

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

RECORDED VOTE

Mr. OBEY. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The SPEAKER pro tempore. Pursuant to clause 5 of rule XV, the Chair will reduce to 5 minutes the minimum time for an electronic vote on final passage.

The vote was taken by electronic device, and there were—ayes 164, noes 261, not voting 9, as follows:

[Roll No. 351]

AYES—164

Abercrombie	Hastings (FL)	Nadler
Ackerman	Hilliard	Neumann
Allen	Hinchey	Oberstar
Andrews	Holden	Obey
Baldacci	Hooley	Olver
Barcia	Hoyer	Owens
Barrett (WI)	Jackson (IL)	Pallone
Becerra	Jackson-Lee (TX)	Pascrell
Bentsen	Jefferson	Pastor
Berman	Johnson (WI)	Payne
Blagojevich	Johnson, E. B.	Pelosi
Blumenauer	Kanjorski	Pomeroy
Bonior	Kaptur	Poshard
Borski	Kennedy (MA)	Rangel
Brady (PA)	Kennedy (RI)	Rivers
Brown (CA)	Kennelly	Rodriguez
Brown (FL)	Kildee	Roemer
Brown (OH)	Kilpatrick	Rothman
Capps	Kleczka	Roybal-Allard
Cardin	Klink	Rush
Carson	Kucinich	Sabo
Clay	LaFalce	Sanchez
Clement	Lampson	Sanders
Conyers	Lantos	Sawyer
Costello	Lee	Schumer
Coyne	Levin	Scott
Cummings	Lewis (GA)	Serrano
Davis (FL)	Lipinski	Sherman
Davis (IL)	Lofgren	Skaggs
DeFazio	Lowey	Skelton
DeGette	Luther	Slaughter
Delahunt	Maloney (CT)	Smith, Adam
DeLauro	Maloney (NY)	Snyder
Deutsch	Manton	Stabenow
Dicks	Markey	Stark
Dixon	Mascara	Stokes
Doggett	Matsui	Strickland
Doyle	McCarthy (MO)	Stupak
Edwards	McCarthy (NY)	Tauscher
Engel	McDermott	Thurman
Eshoo	McGovern	Tierney
Evans	McHale	Towns
Farr	McKinney	Velazquez
Fattah	McNulty	Vento
Fazio	Meehan	Visclosky
Filner	Meek (FL)	Waters
Ford	Meeks (NY)	Waxman
Frost	Menendez	Weldon (PA)
Furse	Millender-McDonald	Wexler
Gejdenson	Miller (CA)	Weygand
Gephardt	Mink	Wise
Gordon	Moran (VA)	Wolf
Green	Morella	Woolsey
Gutierrez	Murtha	Wynn
Hall (OH)		
Hamilton		

NOES—261

Aderholt	Boyd	Cooksey
Archer	Brady (TX)	Cox
Armey	Bryant	Cramer
Bachus	Bunning	Crane
Baesler	Burr	Crapo
Baker	Burton	Cubin
Ballenger	Buyer	Cunningham
Barr	Callahan	Danner
Barrett (NE)	Calvert	Davis (VA)
Bartlett	Camp	Deal
Barton	Campbell	DeLay
Bass	Canady	Diaz-Balart
Bateman	Cannon	Dickey
Bereuter	Castle	Dingell
Berry	Chabot	Dooley
Bilbray	Chambliss	Doolittle
Bilirakis	Chenoweth	Dreier
Bishop	Christensen	Duncan
Bliley	Clayton	Dunn
Blunt	Clyburn	Ehlers
Boehlert	Coble	Ehrlich
Boehner	Coburn	Emerson
Bonilla	Collins	English
Bono	Combest	Ensign
Boswell	Condit	Etheridge
Boucher	Cook	Everett

Ewing
Fawell
Foley
Forbes
Fossella
Fowler
Fox
Franks (NJ)
Frelinghuysen
Gallegly
Ganske
Gekas
Gibbons
Gilchrest
Gillmor
Gilman
Goode
Goodlatte
Goodling
Goss
Graham
Granger
Greenwood
Gutknecht
Hall (TX)
Hansen
Hastert
Hastings (WA)
Hayworth
Hefley
Hefner
Herger
Hill
Hilleary
Hinojosa
Hobson
Hoekstra
Horn
Hostettler
Houghton
Hulshof
Hunter
Hutchinson
Hyde
Inglis
Istook
Jenkins
John
Johnson (CT)
Johnson, Sam
Jones
Kasich
Kelly
Kim
Kind (WI)
King (NY)
Kingston
Klug
Knollenberg
Kolbe
LaHood
Largent
Latham
LaTourette
Lazio
Leach
Lewis (CA)
Lewis (KY)
Linder
Livingston
LoBiondo
Lucas
Manzullo
Martinez
McCollum
McCrery
McDade
McHugh
McInnis
McIntosh
McIntyre
McKeon
Metcalf
Mica
Miller (FL)
Minge
Mollohan
Moran (KS)
Myrick
Nethercutt
Ney
Northup
Norwood
Nussle
Ortiz
Oxley
Packard
Pappas
Parker
Paul
Paxon
Pease
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pickett
Pitts
Pombo
Porter
Portman
Price (NC)
Pryce (OH)
Quinn
Radanovich
Rahall
Ramstad
Redmond
Regula
Reyes
Riggs
Riley
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Roukema
Royce
Ryun
Salmon
Sandlin
Sanford
Saxton
Scarborough
Schaefer, Dan
Schaffer, Bob
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Shimkus
Sisisky
Skeen
Smith (MI)
Smith (NJ)
Smith (OR)
Smith (TX)
Smith, Linda
Snowbarger
Solomon
Souder
Spence
Spratt
Stearns
Stenholm
Stump
Sununu
Talent
Tanner
Tauzin
Taylor (MS)
Taylor (NC)
Thomas
Thompson
Thornberry
Thune
Tiahrt
Traficant
Turner
Upton
Walsh
Wamp
Watkins
Watt (NC)
Watts (OK)
Weldon (FL)
Weller
White
Whitfield
Wicker
Wilson
Young (AK)

NOT VOTING—9

Frank (MA)
Gonzalez
Harman
Moakley
Neal
Shuster
Torres
Yates
Young (FL)

☐ 2104

Mr. WELDON of Pennsylvania changed his vote from ''no'' to ''aye.''

So the motion to recommit was rejected.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore (Mr. LAHOOD). The question is on the passage of the bill.

Pursuant to clause 7 of rule XV, the yeas and nays are ordered.

This is a five-minute vote.

The vote was taken by electronic device, and there were—yeas 259, nays 164, not voting 11, as follows:

[Roll No. 352]

YEAS—259

Abercrombie
Aderholt
Archer
Armey
Bachus
Baesler
Baker
Ballenger
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bereuter
Bilbray
Bilirakis
Bishop
Bliley
Blunt
Boehlert
Boehner
Bonilla
Bono
Boswell
Boucher
Boyd
Brady (TX)
Brown (CA)
Brown (FL)
Bryant
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cannon
Castle
Chabot
Christensen
Clayton
Clement
Coble
Coburn
Collins
Combest
Cook
Cooksey
Cramer
Crapo
Cubin
Cunningham
Danner
Davis (VA)
Deal
DeLay
Diaz-Balart
Dickey
Dicks
Dixon
Dooley
Doolittle
Doyle
Dreier
Dunn
Ehlers
Ehrlich
Emerson
Ensign
Etheridge
Evans
Everett
Ewing
Fawell
Foley
Forbes
Ford
Fossella
Fowler
Fox
Franks (NJ)
Frelinghuysen
Gallegly
Ganske
Gekas
Gibbons
Gilchrest
Gillmor
Gilman
Goode
Goodlatte
Goodling
Goss
Graham
Granger
Greenwood
Gutknecht
Hall (OH)
Hall (TX)
Hansen
Hastert
Hastings (WA)
Hayworth
Hefley
Hefner
Hill
Hilleary
Hinojosa
Hobson
Horn
Houghton
Hulshof
Hunter
Hutchinson
Hyde
Inglis
Istook
Jenkins
John
Johnson (CT)
Johnson, Sam
Jones
Kaptur
Kasich
Kelly
Kim
King (NY)
Kingston
Knollenberg
Kolbe
LaHood
Lampson
Largent
Latham
LaTourette
Lazio
Leach
Lewis (CA)
Lewis (KY)
Linder
Lipinski
Livingston
LoBiondo
Lucas
Manzullo
Martinez
Mascara
Matsui
McCollum
McCrery
McHugh
McInnis
McIntosh
McIntyre
McKeon
Meek (FL)
Metcalf
Mica
Miller (FL)
Mollohan
Moran (KS)
Moran (VA)
Murtha
Myrick
Nethercutt
Neumann
Ney
Northup
Norwood
Nussle
Ortiz
Oxley
Packard
Pappas
Parker
Paxon
Pease
Peterson (PA)
Pickering
Pickett
Pitts
Pombo
Porter
Portman
Price (NC)
Pryce (OH)
Quinn
Radanovich
Rahall
Ramstad
Redmond
Regula
Reyes
Riggs
Riley
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Roukema
Ryun
Sabo
Sandlin
Saxton
Scarborough
Schaefer, Dan
Scott
Sessions
Shadegg
Shaw
Shays
Shimkus
Shuster
Skeen
Smith (MI)
Smith (NJ)
Smith (OR)
Smith (TX)
Snowbarger
Solomon
Souder
Spence
Spratt
Stearns
Stenholm
Stokes
Stump
Sununu
Talent
Tanner
Tauzin
Taylor (MS)
Taylor (NC)
Thomas
Thompson
Thornberry
Thune
Thurman
Tiahrt
Traficant
Turner
Upton
Walsh
Wamp
Watkins
Watts (OK)
Weldon (FL)
Weller
White
Whitfield
Wicker
Wilson
Wise
Wolf
Young (AK)

NAYS—164

Ackerman
Allen
Andrews
Baldacci
Barcia
Barrett (WI)
Becerra
Bentsen
Berman
Berry
Blagojevich
Blumenauer
Bonior
Borski
Brady (PA)
Brown (OH)
Capps
Cardin
Carson
Chenoweth
Clay
Clyburn
Condit
Conyers
Costello
Cox
Coyne
Crane
Cummings
Davis (FL)
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dingell
Doggett
Duncan
Edwards
Engel
English
Eshoo
Farr
Fattah
Fazio
Filner
Frost
Furse
Gejdenson
Gephardt
Green
Gutierrez
Hamilton
Hastings (FL)
Herger
Hilliard
Hinchey
Hoekstra
Holden
Hooley
Hostettler
Hoyer
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson (WI)
Johnson, E.B.
Kanjorski
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kilpatrick
Kind (WI)
Kleczka
Klink
Klug
Kucinich
LaFalce
Lantos
Lee
Levin
Lewis (GA)
Lofgren
Lowey
Luther
Maloney (CT)
Maloney (NY)
Manton
Markey
McCarthy (MO)
McCarthy (NY)
McDermott
McGovern
McHale
McKinney
McNulty
Meehan
Meeks (NY)
Menendez
Millender-McDonald
Miller (CA)
Minge
Mink
Morella
Nadler
Oberstar
Obey
Olver
Owens
Pallone
Pascrell
Pastor
Paul
Payne
Pelosi
Peterson (MN)
Petri
Pomeroy
Poshard
Rangel
Rivers
Rodriguez
Roemer
Rothman
Roybal-Allard
Royce
Rush
Salmon
Sanchez
Sanders
Sanford
Sawyer
Schaffer, Bob
Schumer
Sensenbrenner
Serrano
Sherman
Sisisky
Skaggs
Skelton
Slaughter
Smith, Adam
Smith, Linda
Snyder
Stabenow
Stark
Strickland
Stupak
Tauscher
Tierney
Torres
Towns
Velazquez
Vento
Visclosky
Waters
Watt (NC)
Waxman
Wexler
Weygand
Woolsey
Wynn

NOT VOTING—11

Chambliss
Frank (MA)
Gonzalez
Gordon
Harman
McDade
Moakley
Neal
Weldon (PA)
Yates
Young (FL)

☐ 2113

Mr. Costello and Mr. Herger changed their vote from ''yea'' to ''nay.''

Mr. Mascara changed his vote from ''nay'' to ''yea.''

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

☐ 2115

PERSONAL EXPLANATION

Mr. ETHERIDGE. Mr. Speaker, earlier today, during the consideration of rollcall votes 343 and 344, I was unavoidably detained. Had I been present, I would have voted ''yes'' on each vote.

PERSONAL EXPLANATION

Ms. GRANGER. Mr. Speaker, I was unavoidably detained during the rollcall vote on the adoption of the conference report on H.R. 629, the Texas Low-Level Radioactive Waste Disposal Compact Consent Act earlier today. If I had been present, I would have voted ''aye.''

PERSONAL EXPLANATION

Mr. SHUSTER. Mr. Speaker, I was in the Chamber when the previous vote occurred, and I regret that I was not recognized. Thank you for recognizing me now.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 3396

Mr. MORAN of Virginia. Mr. Speaker, I ask unanimous consent that my

name be removed as cosponsor of H.R. 3396.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Virginia?

There was no objection.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 2801

Mr. FAZIO of California. Mr. Speaker, I ask unanimous consent that the gentlewoman from Michigan (Ms. STABENOW) be removed as a cosponsor of H.R. 2801.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF HOUSE RESOLUTION 375

Mr. FAZIO of California. Mr. Speaker, I ask unanimous consent that I may be removed as a cosponsor of H. Res. 375.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 3000

Mr. FORD. Mr. Speaker, I ask unanimous consent that my name be removed as a cosponsor of H.R. 3000.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

MAKING IN ORDER AT ANY TIME CONSIDERATION OF CONFERENCE REPORT ON H.R. 4059, MILITARY CONSTRUCTION APPROPRIATIONS ACT, 1999

Mr. PACKARD. Mr. Speaker, I ask unanimous consent that it be in order at any time to consider the conference report accompanying the bill (H.R. 4059) making appropriations for military construction, family housing, and base realignment and closure for the Department of Defense for the fiscal year ending September 30, 1999, and for other purposes, that all points of order against the conference report and against its consideration be waived, and that the conference report be considered as read when called up.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 3396 and H.R. 1515

Mr. DAVIS of Illinois. Mr. Speaker, I ask unanimous consent to withdraw my name as a cosponsor from H.R. 3396 and H.R. 1515.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

CONGRESSIONAL GOLD MEDAL TO GERALD R. AND BETTY FORD

Mr. CASTLE. Mr. Speaker, I ask unanimous consent that the Committee on Banking and Financial Services be discharged from further consideration of the bill (H.R. 3506) to award a congressional gold medal to Gerald R. and Betty Ford, and ask for its immediate consideration in the House.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Delaware?

Mr. LAFALCE. Mr. Speaker, reserving the right to object, I do so for the purpose of yielding to the gentleman from Delaware (Mr. CASTLE) for an explanation of the bill.

Mr. CASTLE. Mr. Speaker, under the gentleman's reservation in response, let me state that H.R. 3506 was introduced by the gentleman from Michigan (Mr. EHLERS) and cosponsored by 296 Members. It authorizes President Clinton to present to Gerald R. and Betty Ford a gold medal on behalf of Congress and in recognition of their dedicated public service and outstanding humanitarian contributions to the people of the United States, and to commemorate the 85th anniversary of the birth of President Ford, the 80th anniversary of the birth of Mrs. Ford, the 50th anniversary of the first election of Gerald R. Ford to the House of Representatives, and their 50th wedding anniversary.

The bill authorizes appropriation of up to $20,000 to cover the cost of providing the medal. The actual amount spent for the medal is recouped by the Mint through the sale of authentic bronze reproductions of the medal.

Mr. LAFALCE. Mr. Speaker, reclaiming my time, as a proud cosponsor of the resolution.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Delaware?

There was no objection.

The Clerk read the bill, as follows:

H.R. 3506

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. CONGRESSIONAL GOLD MEDAL.

(a) PRESENTATION AUTHORIZED.—The President is authorized to present, on behalf of the Congress, to Gerald R. and Betty Ford a gold medal of appropriate design—

(1) in recognition of their dedicated public service and outstanding humanitarian contributions to the people of the United States; and

(2) in commemoration of the following occasions in 1998:

(A) The 85th anniversary of the birth of President Ford.

(B) The 80th anniversary of the birth of Mrs. Ford.

(C) The 50th wedding anniversary of President and Mrs. Ford.

(D) The 50th anniversary of the 1st election of Gerald R. Ford to the United States House of Representatives.

(E) The 25th anniversary of the approval of Gerald R. Ford by the Congress to become Vice President of the United States.

(b) DESIGN AND STRIKING.—For purposes of the presentation referred to in subsection (a), the Secretary of the Treasury shall strike a gold medal with suitable emblems, devices, and inscriptions to be determined by the Secretary.

(c) AUTHORIZATION OF APPROPRIATION.—There are authorized to be appropriated not to exceed $20,000 to carry out this section.

SEC. 2. DUPLICATE MEDALS.

(a) STRIKING AND SALE.—The Secretary of the Treasury may strike and sell duplicates in bronze of the gold medal struck pursuant to section 1 under such regulations as the Secretary may prescribe, at a price sufficient to cover the cost thereof, including labor, materials, dies, use of machinery, and overhead expenses, and the cost of the gold medal.

(b) REIMBURSEMENT OF APPROPRIATION.—The appropriation used to carry out section 1 shall be reimbursed out of the proceeds of sales under subsection (a).

SEC. 3. NATIONAL MEDALS.

The medals struck pursuant to this Act are national medals for purposes of chapter 51 of title 31, United States Code.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. CASTLE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H.R. 3506, the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Delaware?

There was no objection.

GENERAL LEAVE

Mr. PACKARD. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on the conference report on H.R. 4059, and that I may include tabular and extraneous materials.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

CONFERENCE REPORT ON H.R. 4059, MILITARY CONSTRUCTION APPROPRIATIONS ACT, 1999

Mr. PACKARD. Mr. Speaker, pursuant to the order of the House of today, I call up the conference report on the bill (H.R. 4059) making appropriations for military construction, family housing, and base realignment and closure for the Department of Defense for the fiscal year ending September 30, 1999, and for other purposes, and ask for its immediate consideration.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Pursuant to the order of the House of today, the conference report is considered read.

(For conference report and statement, see proceedings of the House of July 24, 1998 at page H6427.)

The SPEAKER pro tempore. The gentleman from California (Mr. PACKARD) and the gentleman from North Carolina (Mr. HEFNER) each will control 30 minutes.

The Chair recognizes the gentleman from California (Mr. PACKARD).

Mr. PACKARD. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I would advise the Members of the House that we do not expect this to take more than just a few moments.

Less than a month ago, we voted on the floor of the House on this bill, H.R. 4059, and it passed 396 to 10. No controversy came out of the conference. It was a very amicable and successful conference.

Mr. Speaker, this conference report calls for an 8 percent decrease in funding from last year's appropriated level. It was a successful conference. We came to an agreeable compromise between the Senate version of the bill and the House version.

Mr. Speaker, I simply want to thank the members of my subcommittee and the staff that has helped craft this conference report.

Mr. Speaker, I submit the following for inclusion in the RECORD:

MILITARY CONSTRUCTION APPROPRIATIONS BILL, 1999 (H.R. 4059)

	FY 1998 Enacted	FY 1999 Estimate	House	Senate	Conference	Conference compared with enacted
Military construction, Army	714,377,000	790,876,000	780,599,000	810,476,000	868,726,000	+154,349,000
Military construction, Navy	683,666,000	468,150,000	570,643,000	565,030,000	604,593,000	-79,073,000
Military construction, Air Force	701,855,000	454,810,000	550,475,000	627,874,000	615,809,000	-86,046,000
Military construction, Defense-wide	646,342,000	491,675,000	611,075,000	560,485,000	553,114,000	-93,228,000
Total, Active components	2,746,240,000	2,205,511,000	2,512,792,000	2,563,865,000	2,642,242,000	-103,998,000
Department of Defense Military Unaccompanied Housing Improvement Fund: Rescission (FY 1997, P.L. 104-196)					-5,000,000	-5,000,000
Military construction, Army National Guard	118,350,000	47,675,000	70,338,000	137,315,000	142,403,000	+24,053,000
Emergency appropriations (P.L. 105-174)	3,700,000					-3,700,000
Military construction, Air National Guard	190,444,000	34,761,000	97,701,000	163,161,000	169,801,000	-20,643,000
Military construction, Army Reserve	74,167,000	71,287,000	71,894,000	101,633,000	102,119,000	+27,952,000
Military construction, Naval Reserve	47,329,000	15,271,000	33,721,000	21,621,000	31,621,000	-15,708,000
Military construction, Air Force Reserve	30,243,000	10,535,000	35,371,000	22,835,000	34,371,000	+4,128,000
Total, Reserve components	464,233,000	179,529,000	309,025,000	446,565,000	480,315,000	+16,082,000
Total, Military construction	3,210,473,000	2,385,040,000	2,821,817,000	3,010,430,000	3,117,557,000	-92,916,000
NATO Security Investment Program	152,600,000	185,000,000	169,000,000	152,600,000	155,000,000	+2,400,000
Revised economic assumptions					-1,000,000	-1,000,000
Total, NATO	152,600,000	185,000,000	169,000,000	152,600,000	154,000,000	+1,400,000
Family housing, Army:						
New construction	101,650,000	70,100,000	41,700,000	70,100,000	83,100,000	-18,550,000
Construction improvements	86,100,000	28,629,000	37,429,000	49,679,000	48,479,000	-37,621,000
Planning and design	9,550,000	6,350,000	6,350,000	6,350,000	6,350,000	-3,200,000
General reduction		-1,639,000	-2,639,000	-1,639,000	-2,639,000	-2,639,000
Subtotal, construction	197,300,000	103,440,000	82,840,000	124,490,000	135,290,000	-62,010,000
Operation and maintenance	1,140,568,000	1,104,733,000	1,097,697,000	1,104,733,000	1,094,697,000	-45,871,000
Total, Family housing, Army	1,337,868,000	1,208,173,000	1,180,537,000	1,229,223,000	1,229,987,000	-107,881,000
Family housing, Navy and Marine Corps:						
New construction	175,196,000	59,504,000	29,125,000	59,504,000	59,504,000	-115,692,000
Construction improvements	203,536,000	211,991,000	92,037,000	217,791,000	227,791,000	+24,255,000
Planning and design	15,100,000	15,618,000	15,618,000	15,618,000	15,618,000	+518,000
General reduction and revised economic assumptions		-6,323,000	-6,323,000	-6,323,000	-7,323,000	-7,323,000
Subtotal, construction	393,832,000	280,790,000	130,457,000	286,590,000	295,590,000	-98,242,000
Operation and maintenance	976,504,000	915,293,000	915,293,000	915,293,000	912,293,000	-64,211,000
Emergency appropriations (P.L. 105-174)	18,100,000					-18,100,000
Total, Family housing, Navy and Marine Corps	1,388,436,000	1,196,083,000	1,045,750,000	1,201,883,000	1,207,883,000	-180,553,000
Family housing, Air Force:						
New construction	159,943,000	140,499,000	124,344,000	179,199,000	176,099,000	+16,156,000
Construction improvements	123,795,000	81,778,000	81,778,000	123,238,000	104,108,000	-19,687,000
Planning and design	11,971,000	11,342,000	11,342,000	11,342,000	11,342,000	-629,000
General reduction and revised economic assumptions		-7,584,000	-9,584,000	-11,084,000	-10,584,000	-10,584,000
Subtotal, construction	295,709,000	226,035,000	207,880,000	302,695,000	280,965,000	-14,744,000
Operation and maintenance	830,234,000	789,995,000	785,204,000	789,995,000	783,204,000	-47,030,000
Emergency appropriations (P.L. 105-174)	2,400,000					-2,400,000
Total, Family housing, Air Force	1,128,343,000	1,016,030,000	993,084,000	1,092,690,000	1,064,169,000	-64,174,000
Family housing, Defense-wide:						
Construction improvements	4,900,000	345,000	345,000	345,000	345,000	-4,555,000
Planning and design	50,000					-50,000
Subtotal, construction	4,950,000	345,000	345,000	345,000	345,000	-4,605,000
Operation and maintenance	32,724,000	36,899,000	36,899,000	36,899,000	36,899,000	+4,175,000
Total, Family housing, Defense-wide	37,674,000	37,244,000	37,244,000	37,244,000	37,244,000	-430,000
Department of Defense Family Housing Improvement Fund		7,000,000	242,438,000	7,000,000	2,000,000	+2,000,000
Homeowners Assistance Fund, Defense		12,800,000	7,500,000	12,800,000		
Total, Family housing	3,892,321,000	3,477,330,000	3,506,553,000	3,580,840,000	3,541,283,000	-351,038,000
New construction	(436,789,000)	(270,103,000)	(195,169,000)	(308,803,000)	(318,703,000)	(-118,086,000
Construction improvements	(418,331,000)	(322,743,000)	(211,589,000)	(391,053,000)	(380,723,000)	(-37,608,000
Planning and design	(36,671,000)	(33,310,000)	(33,310,000)	(33,310,000)	(33,310,000)	(-3,361,000
General reduction		(-15,546,000)	(-18,546,000)	(-19,046,000)	(-20,546,000)	(-20,546,000
Operation and maintenance	(2,980,030,000)	(2,846,920,000)	(2,835,093,000)	(2,846,920,000)	(2,827,093,000)	(-152,937,000
Family Housing Improvement Fund		(7,000,000)	(242,438,000)	(7,000,000)	(2,000,000)	(+2,000,000
Homeowners Assistance Fund		(12,800,000)	(7,500,000)	(12,800,000)		
Emergency appropriations (P.L. 105-174)	(20,500,000)					(-20,500,000

MILITARY CONSTRUCTION APPROPRIATIONS BILL, 1999 (H.R. 4059)— continued

	FY 1998 Enacted	FY 1999 Estimate	House	Senate	Conference	Conference compared with enacted
Base realignment and closure accounts:						
Part II	116,754,000	.....	.....	.....	.....	-116,754,000
Part III	768,702,000	433,464,000	433,464,000	433,464,000	427,164,000	-341,538,000
Part IV	1,175,398,000	1,297,240,000	1,297,240,000	1,297,240,000	1,203,738,000	+28,340,000
Emergency appropriations (P.L. 105-174)	1,020,000	.....	.....	.....	.....	-1,020,000
Total, Base realignment and closure accounts	2,061,874,000	1,730,704,000	1,730,704,000	1,730,704,000	1,630,902,000	-430,972,000
Family housing, Navy and Marine Corps (FY99 Sec. 125)	.....	6,000,000	6,000,000	6,000,000	6,000,000	+6,000,000
Revised economic assumption (FY98 Sec. 125)	-108,800,000	.....	.....	.....	.....	+108,800,000
Grand total:						
New budget (obligational) authority	9,208,468,000	7,784,074,000	8,234,074,000	8,480,574,000	8,449,742,000	-758,726,000
Appropriations	(9,183,248,000)	(7,784,074,000)	(8,234,074,000)	(8,480,574,000)	(8,454,742,000)	(-728,506,000)
Rescissions	.....	.....	.....	.....	(-5,000,000)	(-5,000,000)
Emergency appropriations (P.L. 105-174)	(25,220,000)	.....	.....	.....	.....	(-25,220,000)

Mr. PACKARD. Mr. Speaker, I reserve the balance of my time.

Mr. HEFNER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, first of all I would like to congratulate the gentleman from California (Chairman PACKARD) for his work, as well as the work of the staff on the committee, which I think is one of the staffs that is most responsive to the needs of the members on the Committee on Appropriations.

This is a good bill. We did the very best that we could with very limited funds, and we targeted it toward quality of life for our men and women in the Armed Forces. I would urge everyone to support this bill.

Mr. Speaker, I rise today in support of the conference agreement for the FY 1999 Military Construction bill.

I also want to thank the Subcommittee Chairman, Mr. PACKARD, for his hard work as well as the bipartisan spirit he has encouraged among the members of this committee.

The bill provides $8.4 billion for military construction, family housing, and the last two rounds of base closings.

Although members recognize the importance of this bill in meeting the needs of the men and women that serve us in the military, this bill is $734 million dollars below last years level. I can't say that I am happy to see funding for this important bill drop like this.

Within the allocations, though, this is a good agreement that responds to the highest priority needs of our service men and women.

Of course, I am very proud of the years of service that I have given this subcommittee. It used to be easy to forget the folks that serve us in the military, and we have changed that.

The past few years, though, the numbers keep getting lower and lower. It worries me.

Giving our men and women in the military a decent place to live and work is not just one of the keys to military readiness and retention, it is also a basic responsibility we all shoulder.

I urge all members to support the conference agreement.

Mr. Speaker, I reserve the balance of my time.

Mr. PACKARD. Mr. Speaker, let me conclude by simply saying this is the last conference report for the gentleman from North Carolina (Mr. HEFNER) and we want to thank him with a round of applause.

Mr. Speaker, I reserve the balance of my time.

Mr. HEFNER. Mr. Speaker, I yield 2 minutes to the gentleman from Wisconsin (Mr. OBEY).

Mr. OBEY. Mr. Speaker, I will not take the 2 minutes. I simply want to, on this side of the aisle, express our congratulations to the gentleman from North Carolina (Mr. HEFNER) for the wonderful service he has provided this institution.

He has worked for as long as he has been here for decent working conditions and decent living conditions for our American servicemen and servicewomen, and I think this institution owes him a debt of gratitude for the work he his done on behalf of all of them.

Mr. HEFNER. Mr. Speaker, I yield back the balance of my time.

Mr. PACKARD. Mr. Speaker, we have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. Without objection, the previous question is ordered on the conference report.

There was no objection.

The SPEAKER pro tempore. The question is on the conference report.

Pursuant to clause 7 of rule XV, the yeas and nays are ordered.

The vote was taken by electronic device, and there were— yeas 417, nays 1, not voting 16, as follows:

[Roll No. 353]

YEAS—417

Abercrombie
Ackerman
Aderholt
Allen
Andrews
Archer
Armey
Bachus
Baesler
Baker
Baldacci
Ballenger
Barcia
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bass
Bateman
Becerra
Bentsen
Bereuter
Berman
Berry
Bilbray
Bilirakis
Bishop
Blagojevich
Bliley
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bonior
Bono
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brady (TX)
Brown (CA)
Brown (FL)
Brown (OH)
Bryant
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cannon
Capps
Cardin
Carson
Castle
Chabot
Chambliss
Chenoweth
Christensen
Clay
Clayton
Clement
Clyburn
Coble
Coburn
Collins
Combest
Condit
Conyers
Cook
Cooksey
Costello
Cox
Coyne
Cramer
Crane
Crapo
Cubin
Cummings
Cunningham
Danner
Davis (FL)
Davis (IL)
Davis (VA)
Deal
DeFazio
DeGette
Delahunt
DeLauro
DeLay
Deutsch
Diaz-Balart
Dickey
Dicks
Dingell
Dixon
Doggett
Dooley
Doolittle
Doyle
Dreier
Dunn
Edwards
Ehlers
Ehrlich
Emerson
Engel
English
Ensign
Eshoo
Etheridge
Evans
Everett
Ewing
Farr
Fattah
Fawell
Fazio
Filner
Foley
Forbes
Ford
Fossella
Fowler
Fox
Franks (NJ)
Frelinghuysen
Frost
Furse
Gallegly
Ganske
Gejdenson
Gekas
Gephardt
Gibbons
Gilchrest
Gillmor
Gilman
Goode
Goodlatte
Goodling
Gordon
Goss
Graham
Granger
Green
Greenwood
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hamilton
Hansen
Hastert
Hastings (FL)
Hastings (WA)
Hayworth
Hefley
Hefner
Herger
Hill
Hilleary
Hilliard
Hinchey
Hinojosa
Hobson
Hoekstra
Holden
Hooley
Horn
Hostettler
Houghton
Hoyer
Hulshof
Hunter
Hutchinson
Hyde
Inglis
Istook
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
John
Johnson (CT)
Johnson (WI)
Johnson, E. B.
Johnson, Sam
Jones
Kanjorski
Kaptur
Kasich
Kelly
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kilpatrick
Kim
Kind (WI)
King (NY)
Kingston
Kleczka
Klink
Klug
Knollenberg
Kolbe
Kucinich
LaFalce
LaHood
Lampson
Lantos
Largent
Latham
LaTourette
Lazio
Leach
Lee
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Lipinski
Livingston
LoBiondo
Lofgren
Lowey
Lucas
Luther
Maloney (CT)
Maloney (NY)
Manton
Manzullo
Markey
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McCrery
McDade
McDermott
McGovern
McHale
McHugh
McInnis
McIntosh
McIntyre
McKeon
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Metcalf
Mica
Millender-McDonald
Miller (CA)
Miller (FL)
Minge
Mink
Mollohan
Moran (KS)
Moran (VA)
Morella
Murtha
Myrick
Nadler
Nethercutt
Neumann
Ney
Northup
Nussle
Oberstar
Obey
Olver
Ortiz
Owens
Oxley
Packard
Pallone
Pappas
Parker
Pascrell
Pastor
Paxon
Payne
Pease
Pelosi
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pickett
Pitts
Pombo
Pomeroy
Porter
Portman
Poshard
Price (NC)
Pryce (OH)
Quinn
Radanovich
Rahall
Ramstad
Redmond
Regula
Reyes
Riggs
Riley
Rivers
Rodriguez
Roemer
Rogan
Rohrabacher
Ros-Lehtinen
Rothman
Roukema
Roybal-Allard
Royce
Rush
Ryun
Sabo
Salmon
Sanchez
Sanders
Sandlin
Sanford
Sawyer
Saxton
Scarborough
Schaefer, Dan
Schaffer, Bob
Schumer
Scott
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Shimkus
Shuster
Sisisky
Skaggs
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (OR)
Smith (TX)
Smith, Adam
Smith, Linda
Snowbarger
Snyder
Solomon
Souder
Spence
Spratt
Stabenow
Stark
Stearns
Stenholm
Stokes
Strickland
Stump
Stupak
Sununu
Talent
Tanner
Tauscher
Tauzin
Taylor (MS)
Taylor (NC)
Thomas
Thompson
Thornberry
Thune
Thurman
Tiahrt
Tierney
Traficant
Turner
Upton
Velazquez
Vento
Visclosky
Walsh
Wamp
Waters
Watkins
Watt (NC)
Watts (OK)
Waxman
Weldon (FL)
Weldon (PA)
Weller
Wexler
Weygand
White
Wicker
Wilson
Wise
Wolf
Woolsey
Wynn
Young (AK)

NAYS—1

Paul

NOT VOTING—16

Duncan
Frank (MA)
Gonzalez
Harman
Linder
McCollum
Moakley
Neal
Norwood
Rangel
Rogers
Torres
Towns
Whitfield
Yates
Young (FL)

☐ 2142

So the conference report was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. MCDADE. Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days to revise and extend their remarks and that I may include tabular and extraneous material on H.R. 4060, the matter to be considered now.

The SPEAKER pro tempore (Mr. LAHOOD). Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

APPOINTMENT OF CONFEREES ON H.R. 4060, ENERGY AND WATER DEVELOPMENT APPROPRIATIONS ACT, 1999

Mr. MCDADE. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 4060) making appropriations for energy and water development for the fiscal year ending September 30, 1999, and for other purposes, with a Senate amendment thereto, disagree to the Senate amendment, and agree to the conference asked by the Senate.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

MOTION TO INSTRUCT CONFEREES OFFERED BY MR. VENTO

Mr. VENTO. Mr. Speaker, I offer a motion to instruct conferees.

The Clerk read as follows:

Mr. VENTO moves that in resolving the differences between the House and Senate, the managers on the part of the House at the conference on the disagreeing votes of the two Houses on the bill H.R. 4060, be instructed to disagree with the provision in Title IV of the Senate amendment, providing funding for the Denali Commission, and the provision in Title VI of the Senate amendment, the authorization for such Commission.

The SPEAKER pro tempore. Under the rule, the gentleman from Minnesota (Mr. VENTO) will control 30 minutes and the gentleman from Pennsylvania (Mr. MCDADE) will control 30 minutes.

The Chair recognizes the gentleman from Minnesota (Mr. VENTO).

Mr. VENTO. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this is an important motion that could save the American taxpayers $20 million in this fiscal year which is included in the Senate bill, unauthorized, and could save tens of millions of dollars in each of fiscal years 2000, 2001, 2002 and 2003.

The Senate provisions of the Energy and Water Development Bill include a small title, title VI, that goes under the innocuous title of Denali Commission. However, if one reads the title, it becomes clear that this Denali Commission is designed to be more than a small help for the isolated communities of Alaska. This commission is destined to become the new Alaska Department of Economic Development funded by the Federal Government and the Federal taxpayers.

This commission is granted broad authority to develop a statewide comprehensive plan for economic and infrastructure development and, as I said, is given $20 million to approve project and grant proposals in fiscal year 1999. The bill goes on to authorize such sums as may be necessary for the following 4 years.

It does not take much imagination, given the prominent role of Alaska in the Senate appropriation process, as to what is going to happen with regards to this in future years. Federal funding will be as much as the traffic will bear, fundamentally. While we would be handing over millions of dollars for economic development in Alaska, we are providing a pittance of Federal oversight or accountability.

There are no guidelines or standards as to the grants that are provided. There is no qualification. There is no matching funds. The oversight, of course, by the GAO and the Inspector General will probably prove ample if something like this were ever put in place and point out in graphic detail all the mistakes and political deal that will have been made and the misappropriation and or waste of federal dollars.

This Denali Commission is stacked and is dominated by Alaskans with a board composed of a representative from the Chamber of Commerce, the executive director of the Alaska Municipal League, the president of the University of Alaska, a representative of the governor and a single Federal representative, who would be subject to Senate confirmation, in essence a Senate veto over the one national voice.

Mr. Speaker, it is my understanding that the original intent of the legislative proposal was to help those Alaskans who lived in the bush regions, the rural parts of the State. Mr. Speaker, this is far afield of what was considered.

The bill did not have any hearings in the House or Senate. It was inserted into the Senate appropriations bill. As a member of an authorizing committee, I would point out to my colleagues this is how bad law is developed. I would hope that we would instruct our conferees not to agree to this egregious provision, that we go back to the regular order, the regular process in terms of hearings in the sunlight of open hearing and debate on this issue; to pass the authorization, if there is a justification to pass it, through the House and the Senate and then provide for an appropriate commission and funding as justified and reasonable.

I might say, too, that Alaska as a State seems to be doing quite well these days and has not been shortchanged with regards to resources of the Federal Government. In fact, it is pointed out that it is one of the leading States in terms of per capita investment by the Federal Government and has a surplus today of $25 billion due to its oil revenues, so much so that it will be making $1,400 rebates this year for each person without a sales tax in most parts of Alaska, without an income tax.

I think that the State of Alaska, while having serious problems that we need to work on, and I have worked on many of them over the years, this is not the way to go, this is not the route to go to create an economic authority to pass out grants. I urge my colleagues to strongly support my motion to instruct conferees, not to accept these provisions.

Mr. Speaker, I include the following two documents for the RECORD:

TAXPAYERS FOR
COMMON SENSE,
Washington, DC, July 29, 1998.

Hon. BRUCE VENTO,
House of Representatives, Washington, DC.

DEAR REPRESENTATIVE VENTO: Taxpayers for Common Sense is pleased to support your motion to instruct House conferees to oppose authorization and funding for the Denali Commission (Title VI) in the FY99 Energy and Water Appropriations bill. We oppose Title VI for the following reasons:

Process: A big new commission doesn't belong in a spending bill. Even if such a commission were a nice idea (Taxpayers for Common Sense doesn't think it is), it is totally outrageous that the five pages of authorization language creating this commission are stuck into an appropriations bill.

Cost: No ceiling. The language authorizes ''such sums as may be necessary'' for the years 2000 through 2003. If this commission is enacted, no doubt there will be huge pressure to continue it after 2003. In short, Congress would be establishing an open-ended program with no authorization ceiling.

Substance: No controls and poorly drafted. Many other federal public works programs contain safeguards to make sure the money goes to good use. But Title VI requires no local cost sharing (as is required for Corps of Engineers water projects), no targeting of benefits to communities of need, and no criteria for judging priorities. There is nothing in Title VI to prevent money from simply being spread around to politically influential localities for low-priority projects and people who don't need the benefits.

Role: Should federal taxpayers pay for this? The commission would use federal taxpayers' money to accomplish what are clearly state projects addressing unique state concerns. Congress should be eliminating programs like this, not creating more of them.

Waste: Half-baked commission unlikely to achieve goals. With all of these failings, the commission is unlikely to achieve its goals and may very well end up wasting taxpayer money.

When the House considers the motion to go to conference on the FY99 Energy and Water Appropriations bill, Taxpayers for Common Sense urges all Representatives to vote for your motion to instruct on this issue. Please call me at (202) 546–8500 x102 if you have questions.

Sincerely,

RALPH DEGENNARO,
Executive Director

[From the Anchorage Daily News, July 12, 1998]

PERMANENT FUND; RECORD DIVIDEND ON OUR RICHES

The Alaska Permanent Fund provided further proof of its status as the state's most powerful economic engine on Thursday with word that its value grew to about $25 billion as of June 30, the end of the fiscal year.

That's a staggering number. But a much smaller number is the one that strikes home for most Alaskans—the estimated $1,460 that each Alaskan will receive this fall for doing no more than living here.

That number is a guess, but Alaska Permanent Fund Corp. spokesman Jim Kelly does promise a record check, meaning something bigger than the $1,296 sent to each Alaskan in 1997.

Call it $1,400. That means an Alaska family of four will receive $5,600 this fall. That's money to use for everything from appliances to cars to college savings to knocking down debt. No other state in the union gives its people such a direct, no-strings share of its revenue. What other state has the means?

No state income tax. In Anchorage, no sales tax. A yearly check that's grown to four figures. A $25 billion fund that provides more revenue to the state than oil does. Financial-crisis? Not even with oil at $12 a barrel. Other states would love this crisis.

Alaska has its share of problems and challenges, from Third World sanitary conditions in some villages and troubled fisheries to battles over subsistence rights and religious convictions. But we're not broke. We're rich.

That's a problem, too. We must decide what to do as a state with the Permanent Fund's income. We must decide what to do as families and individuals with our dividends.

May we be cursed with such difficulties for a long time to come.

Mr. Speaker, I reserve the balance of my time.

Mr. MCDADE. Mr. Speaker, I yield myself such time as I may consume.

(Mr. MCDADE asked and was given permission to revise and extend his remarks.)

Mr. MCDADE. Mr. Speaker, I want to point out to my colleagues, they do not need to be told that the hour is late. I think we are trying to get as much as we can done before we break. This bill is a pending bill which passed this body, Mr. Speaker, by a vote of 404–4. All we are saying to our colleagues is do not fetter us as we go to conference. Give us the opportunity to continue to represent the House that will merit a vote like this as we come back.

Mr. Speaker, I hope this will be roundly defeated.

Mr. Speaker, I reserve the balance of my time.

Mr. VENTO. Mr. Speaker, I yield such time as he may consume to the gentleman from California (Mr. MILLER), the ranking member of the Committee on Resources.

Mr. MILLER of California. Mr. Speaker, I thank the gentleman for yielding time. I rise in support of his motion to instruct conferees to maintain the House position that he has offered.

The House has passed a clean energy and water bill without controversy over antienvironmental legislative riders which have bogged down Interior and other appropriations bills. The Vento motion to instruct would put the House on record in opposition to a $20 million Alaska grant program which has been included as a rider in the Senate bill.

It is my understanding that the original intent of authorizing these funds was for the purpose of improving sanitation, drinking water and other basic needs of remote native villages in Alaska. Let me clearly state that I recognize the serious problems in rural Alaska and support responsible congressional efforts to address them.

But the Senate rider, as presently drafted, is not limited to using Federal funds to meet priority needs of native Alaskans. Instead, the Senate would empower a five-person commission to develop a statewide, comprehensive plan for economic and infrastructure development. No native Alaskan nor rural Alaskan is directly appointed to the commission. Rather, the Chamber of Commerce, the Alaskan Municipal League, the university president, all of which are urban dominated, are given a vote in distributing $20 million in federally funded grants with no strings attached.

Let us not allow ourselves to be fooled here. This is a blank check to use Federal funds to promote road building, resource extraction and other favorite causes of development proponents in Alaska. This is a recipe for federally funded antienvironmental mischief.

The Senate would spend $20 million in Federal funds for Alaska development grants in 1999 and authorizes unlimited amounts for the next 4 years. So the next 4 years we would see a repeated habit of the Senate adding money for this purpose as the appropriations bills come from the Senate.

As the gentleman who has offered this motion points out, we have not been stingy with Alaska. In 1996, they insisted upon $110 million in emergency economic disaster relief in southeast Alaska communities impacted by the closure of two pulp mills because of poor markets. Some of that money was used to hire lobbyists to come down here and ask for more money. I think what we have seen here, that is $110 million, now there is $20 million for this study. Then there is open-ended appropriations for the next 4 years. I do not think that the taxpayers of this country can afford to do business this way. I do not think that we can ask for another $20 million. If this was important, then why did they not use some of the $110 million we gave them 2 years ago to do economic and infrastructure studies?

I would also point out very clearly, as the gentleman who offered this motion has pointed out, and, that is, Alaska has a permanent fund of $23 billion. That $23 billion fund is supposed to be there in perpetuity for the future of Alaska and its residents. I have no problem with that. But maybe Alaska and its residents concerned about their economic development in the future could find it in their heart to spend $20 million of their $23 billion for the purposes of ensuring the kind of infrastructure and development that they think they need to go into the future.

This is a permanent fund that is currently spinning off $1,300 for every man, woman and child who is a resident of the State of Alaska. That is fine. That is what they decided to do with the fund. But because they decided to have the fund make those expenditures does not mean that the Federal Government and all of the rest of the taxpayers of this country need to come in and fill behind those decisions with $20 million in a study that is very loosely constructed and without limitations as to the future appropriations for it. I think it is fair to ask the State legislature to step up to the plate and contribute to addressing the problems of rural Alaska, but the Senate rider does not even require matching funds from the State of Alaska.

In the State of California, we have huge infrastructure problems, we have huge problems trying to meet our water needs, our transportation needs, our airport needs, all the things that so many of us in other States experience. But we are not getting $20 million from the Federal Government to study that and we are not getting 4 years of unlimited appropriations to study that in the future.

Clearly, there ought to be some effort to try to focus this study on the problems of rural Alaska. There ought to be some effort to have the State match the money for this study.

There are many, many studies and many, many projects in this bill that are worthwhile. But local communities are matching those, States are matching those, private organizations are matching that. This one is simply a free gift of $20 million to the State of Alaska. I would urge Members to support the Vento motion.

Mr. MCDADE. Mr. Speaker, I yield such time as he may consume to the gentleman from Alaska (Mr. YOUNG), the chairman of the Committee on Resources.

(Mr. YOUNG of Alaska asked and was given permission to revise and extend his remarks.)

Mr. YOUNG of Alaska. Mr. Speaker, I rise in opposition to the motion to instruct conferees.

Mr. VENTO. Mr. Speaker, I yield 3 minutes to the gentleman from New York (Mr. HINCHEY).

Mr. HINCHEY. Mr. Speaker, I believe that if a comprehensive infrastructure bill was brought to the full floor of this Congress, there would be many people who would support it. I think it is quite clear that the infrastructure needs of the country are quite severe and that we ought to have a comprehensive approach to these infrastructure needs. But this is a particular appropriation for one particular State, $20 million in one fiscal year and an open-ended circumstance for the next several years, probably as much as $100 million over a 5-year period for the State of Alaska.

As has been pointed out, this Congress has not been ungenerous to the State of Alaska. Alaska is second only to the State of Mississippi in terms of Federal per capita aid.

In addition to that, the State has its own $42 billion fund from oil royalties. That fund will be distributed to every man, woman and child in the State this year as it was last year. Last year, every person in the State received about $1,300. That is $5,200 for a family of four.

It is also true that Alaska has not been aggressive in taxing itself. This is

a State without a State income tax, and much of the State does not have a State sales tax. So it is hard to imagine why the Congress would be appropriating this particular money for this one State for this one particular situation, particularly when the expenditure is so open-ended.

In other words, this money could be spent for virtually anything. It could be spent to build roads anywhere. It could be spent to engage in a whole host of activities which would be contrary to sound environmental not less economic policy.

With all that in mind, Mr. Speaker, I think that it is prudent for us to join with those who have called this a taxpayer boondoggle and support the Vento motion.

Mr. VENTO. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. MCDADE. Mr. Speaker, I yield back the balance of my time, and I move the previous question on the motion to instruct.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the motion to instruct offered by the gentleman from Minnesota (Mr. VENTO).

The motion to instruct was agreed to.

A motion to reconsider was laid on the table.

CALL OF THE HOUSE

Mr. MCDADE. Mr. Speaker, may I explain to my colleagues that for the first time in 36 years, I am about to move a call of the House, and I only do so because the leadership on both sides is trying to get a rule up, so, therefore, Mr. Speaker, I move reluctantly a call of the House.

A call of the House was ordered.

The call was taken by electronic device, and the following Members responded to their names:

[Roll No. 354]

ANSWERED ''PRESENT''—403

Abercrombie
Ackerman
Aderholt
Allen
Andrews
Armey
Bachus
Baesler
Baker
Baldacci
Ballenger
Barcia
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bass
Becerra
Bentsen
Bereuter
Berry
Bilirakis
Blagojevich
Bliley
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bonior
Bono
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brady (TX)
Brown (CA)
Brown (FL)
Brown (OH)
Bryant
Bunning
Burr
Burton
Buyer
Calvert
Camp
Campbell
Canady
Cannon
Capps
Cardin
Carson
Castle
Chabot
Chambliss
Chenoweth
Christensen
Clay
Clayton
Clement
Clyburn
Coble
Coburn
Collins
Combest
Condit
Conyers
Cook
Cooksey
Costello
Cox
Coyne
Cramer
Crane
Crapo
Cubin
Cummings
Cunningham
Danner
Davis (FL)
Davis (IL)
Davis (VA)
Deal
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Diaz-Balart
Dickey
Dicks
Dingell
Dixon
Doggett
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Ehlers
Ehrlich
Emerson
Engel
English
Ensign
Eshoo
Etheridge
Evans
Everett
Ewing
Farr
Fattah
Fazio
Filner
Foley
Forbes
Ford
Fossella
Fowler
Fox
Franks (NJ)
Frelinghuysen
Frost
Furse
Gallegly
Ganske
Gejdenson
Gephardt
Gibbons
Gilchrest
Gillmor
Gilman
Goode
Goodlatte
Goodling
Goss
Graham
Granger
Green
Greenwood
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hamilton
Hansen
Hastert
Hastings (FL)
Hastings (WA)
Hayworth
Hefley
Hefner
Herger
Hill
Hilleary
Hilliard
Hinchey
Hinojosa
Hobson
Hoekstra
Holden
Hooley
Horn
Hostettler
Houghton
Hoyer
Hulshof
Hunter
Hutchinson
Hyde
Inglis
Istook
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
John
Johnson (CT)
Johnson (WI)
Johnson, E. B.
Johnson, Sam
Jones
Kanjorski
Kaptur
Kasich
Kelly
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kilpatrick
Kim
Kind (WI)
King (NY)
Kingston
Kleczka
Klink
Klug
Knollenberg
Kolbe
Kucinich
LaFalce
LaHood
Lampson
Largent
Latham
LaTourette
Lazio
Leach
Lee
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Lipinski
Livingston
LoBiondo
Lofgren
Lowey
Lucas
Luther
Maloney (CT)
Maloney (NY)
Manton
Manzullo
Markey
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCrery
McDade
McDermott
McGovern
McHale
McHugh
McInnis
McIntosh
McIntyre
McKeon
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Metcalf
Mica
Millender-McDonald
Miller (CA)
Miller (FL)
Minge
Mink
Mollohan
Moran (KS)
Moran (VA)
Morella
Murtha
Myrick
Nadler
Nethercutt
Neumann
Ney
Northup
Oberstar
Obey
Olver
Ortiz
Oxley
Packard
Pallone
Pappas
Parker
Pascrell
Pastor
Paul
Paxon
Payne
Pease
Pelosi
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pickett
Pitts
Pombo
Pomeroy
Porter
Portman
Poshard
Price (NC)
Quinn
Radanovich
Rahall
Ramstad
Rangel
Redmond
Regula
Reyes
Riggs
Rivers
Rodriguez
Roemer
Rogers
Rohrabacher
Ros-Lehtinen
Rothman
Roukema
Roybal-Allard
Royce
Rush
Ryun
Sabo
Salmon
Sanchez
Sanders
Sandlin
Sanford
Sawyer
Saxton
Schaefer, Dan
Schaffer, Bob
Schumer
Scott
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Shimkus
Shuster
Sisisky
Skaggs
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (OR)
Smith (TX)
Smith, Adam
Smith, Linda
Snowbarger
Snyder
Solomon
Souder
Spence
Spratt
Stabenow
Stearns
Stenholm
Stokes
Strickland
Stump
Stupak
Sununu
Talent
Tauscher
Tauzin
Taylor (MS)
Taylor (NC)
Thomas
Thompson
Thornberry
Thune
Thurman
Tiahrt
Tierney
Torres
Towns
Traficant
Turner
Upton
Velazquez
Vento
Visclosky
Walsh
Wamp
Waters
Watkins
Watt (NC)
Watts (OK)
Weldon (PA)
Weller
Wexler
Weygand
White
Whitfield
Wicker
Wilson
Wise
Wolf
Woolsey
Wynn
Young (AK)

☐ 2225

The SPEAKER pro tempore (Mr. LAHOOD). On this rollcall, 403 Members have recorded their presence by electronic device, a quorum.

Under the rule, further proceedings under the call are dispensed with.

APPOINTMENT OF CONFEREES ON H.R. 4060, ENERGY AND WATER DEVELOPMENT APPROPRIATIONS ACT, 1999

The SPEAKER pro tempore. Without objection, the Chair appoints the following conferees on H.R. 4060: Messrs. MCDADE, ROGERS, KNOLLENBERG, FRELINGHUYSEN, PARKER, CALLAHAN, DICKEY, LIVINGSTON, FAZIO of California, VISCLOSKY, EDWARDS, PASTOR and OBEY.

There was no objection.

LEGISLATIVE PROGRAM

(Mr. ARMEY asked and was given permission to address the House for 1 minute.)

Mr. ARMEY. Mr. Speaker, I ask for this time for the purpose of reporting on the schedule.

Mr. Speaker, let me begin by saying I appreciate all the Members for their patience. Working this time of the year in appropriations season is always difficult, we know. We are about to begin consideration of a rule for the transportation appropriations bill.

We have a little bit of difficulty with that bill, but the principals who are involved in it are, in fact, actively, and I think effectively, working towards a solution of that. So I would suggest that we could move forward with the rule and then by the time we have the vote on the rule I am sure we will be ready to begin our work and complete our work on transportation.

Mr. BONIOR. Mr. Speaker, will the gentleman yield?

Mr. ARMEY. I am happy to yield to the gentleman from Michigan.

Mr. BONIOR. Mr. Speaker, I thank my colleague for yielding.

Mr. Speaker, if I might say to the majority leader, most folks have been working on both sides of the aisle. We are going on probably the 14th hour of a workday today. In addition to that, we have had an extraordinary week, an emotional and stressful week, as we all know. Folks have been working long hours and long shifts, including the Capitol Police, as the gentleman is fully aware and appreciates.

I do not know what we gain by going into at 10:30 in the evening a contentious rule that has not been worked out yet, and even if it is worked out I am not sure that we are in a position to even proceed on the appropriation bill itself.

I am cognizant of the pressures that the majority has with respect to finishing these appropriation bills, and I can appreciate that having once been in the majority, but I think I would say to my friend, the gentleman from Texas, that in consultation with many of my colleagues on both sides of the aisle, I think they have expressed a desire to me anyway that the prudent thing today and this evening would be to leave and come back and start fresh after the funeral in the morning.

I would just offer that to my friend, the gentleman from Texas.

Mr. ARMEY. Mr. Speaker, let me thank the gentleman for suggesting that. I appreciate the gentleman for his concern, not only for the Members but for the staff, in particular our Capitol Police who are still standing their stations around the Capitol. It is because we, as a group, have clearly indicated our desire, rightly so, to spend the time tomorrow and then again on Friday in attendance to these very important funerals, that we feel the compulsion to complete the work as best we can this week and to try to do so in maximum consideration of all people.

I just would like to assure the gentleman from Michigan that all of these matters are of concern to me and I am working the best I can.

□ 2230

We are ready now, though, to begin to move forward on the rule; and given the progress that I am confident I am seeing with the gentleman from New York (Mr. NADLER) and others, I think we can be confident we can complete our work tonight and all get some rest.

I thank the gentleman.

REPORT ON RESOLUTION PROVIDING SPECIAL INVESTIGATIVE AUTHORITY FOR THE COMMITTEE ON EDUCATION AND THE WORKFORCE

Mr. DREIER, from the Committee on Rules, submitted a privileged report (Rept. No. 105–658) on the resolution (H. Res. 507) providing special investigative authority for the Committee on Education and the Workforce, which was referred to the House Calendar and ordered to be printed.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 3262

Mr. FROST. Mr. Speaker, I ask unanimous consent to remove my name as cosponsor of H.R. 3262.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

PROVIDING FOR CONSIDERATION OF H.R. 4328, DEPARTMENT OF TRANSPORTATION AND RELATED AGENCIES APPROPRIATIONS ACT, 1999

Mr. DREIER. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 510 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 510

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 1(b) of rule XXIII, declare the House resolved into the Committee of the Whole House on the state of the Union for consideration of the bill (H.R. 4328) making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 1999, and for other purposes. The first reading of the bill shall be dispensed with. Points of order against consideration of the bill for failure to comply with clause 7 of rule XXI or section 401(a) of the Congressional Budget Act of 1974 are waived. General debate shall be confined to the bill and shall not exceed one hour equally divided and controlled by the chairman and ranking minority member of the Committee on Appropriations. After general debate the bill shall be considered for amendment under the five-minute rule. The amendments printed in the report of the Committee on Rules accompanying this resolution shall be considered as adopted in the House and in the Committee of the Whole. Points of order against provisions in the bill, as amended, for failure to comply with clause 2 or 6 of rule XXI are waived except as follows: beginning with ‘‘, of which’’, on page 11, line 19, through ‘‘Fund’’ on line 20; page 16, lines 20 through 24; beginning with ‘‘: Provided’’ on page 18, line 2, through ‘‘motor carriers’’ on line 5; and page 54, lines 4 through 8. Where points of order are waived against part of a paragraph, points of order against a provision in another part of such paragraph may be made only against such provision and not against the entire paragraph. During consideration of the bill for further amendment, the Chairman of the Committee of the Whole may accord priority in recognition on the basis of whether the Member offering an amendment has caused it to be printed in the portion of the Congressional Record designated for that purpose in clause 6 of rule XXIII. Amendments so printed shall be considered as read. The chairman of the Committee of the Whole may: (1) postpone until a time during further consideration in the Committee of the Whole a request for a recorded vote on any amendment; and (2) reduce to five minutes the minimum time for electronic voting on any postponed question that follows another electronic vote without intervening business, provided that the minimum time for electronic voting on the first in any series of questions shall be 15 minutes. At the conclusion of consideration of the bill for amendment the Committee shall rise and report the bill, as amended, to the House with such further amendments as may have been adopted. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

The SPEAKER pro tempore (Mr. LAHOOD). The gentleman from California (Mr. DREIER) is recognized for 1 hour.

Mr. DREIER. Mr. Speaker, for purposes of debate only, I yield the customary 30 minutes to the gentleman from Dallas, Texas (Mr. FROST), my friend, and pending that I yield myself such time as I may consume. Mr. Speaker, all time that I will be yielding will be for debate purposes only.

GENERAL LEAVE

Mr. DREIER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and to include extraneous material in the RECORD on the resolution now being considered.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. DREIER. Mr. Speaker, this rule makes in order H.R. 4328, the Department of Transportation and Related Agencies Appropriations Bill for fiscal year 1999 under an open rule containing a number of noncontroversial waivers against points of order. The rule also self-executes two noncontroversial changes in the bill, of which one is technical in nature.

I would like to commend the gentleman from Virginia (Mr. WOLF), chairman of the Subcommittee on Transportation, as well as the gentleman from Louisiana (Mr. LIVINGSTON), chairman of the full committee, and the other members of the committee for the tremendous job that they did in producing a bill that adequately funds our Nation’s priorities within the constraints imposed by both the Balanced Budget Act of 1997 and the Transportation Equity Act of 1998.

Although 70 percent of the bill consists of spending mandated by the T.E.A. 21, resulting in a substantial increase in funding for highway and transit programs, the subcommittee was also able to increase funding for drug interdiction efforts and transportation safety programs.

A total of $406 million is provided for Coast Guard counter-drug activities, an increase of $73.8 million over the President’s request. Funding to reduce fatalities on the Nation’s roadways is increased by more than 8 percent.

Despite this balanced effort, I find it hard to believe that the administration, which signed the T.E.A. 21 bill into law, could be critical of the funding levels that are in this appropriations bill. Unfortunately, this seems to be par for the course for an administration that proposes to pay for more government spending with $9 billion in new taxes and user fees that are political nonstarters.

Mr. Speaker, the Committee on Appropriations produced a fair and balanced bill, and the Committee on Rules was equal to the task of reporting this rule. Therefore, I urge adoption of both the rule and the bill.

Mr. Speaker, I reserve the balance of my time.

Mr. FROST. Mr. Speaker, I yield myself such time as I may consume.

(Mr. FROST asked and was given permission to revise and extend his remarks.)

Mr. FROST. Mr. Speaker, it is my intention to make a fairly brief opening statement and then to yield back all of our time in an effort to try and move this along.

Mr. Speaker, while I rise in support of this rule and this bill making appropriations for the Department of Transportation for fiscal year 1999, I am concerned that a point of order may lie

against an amendment which seeks to limit expenditures of funds for a highway project funded in this bill. Mr. Speaker, should this point of order be pursued and ultimately upheld, the House will set a terrible precedent which may have ramifications far beyond this transportation appropriations.

The matter is now being negotiated, but I do want to express my concern that a major change in the rules that govern this House was included in T–21 and was never even considered by the Committee on Rules. That being said, Mr. Speaker, while the funding level of this appropriations bill is slightly below the levels requested by the President in several areas, overall, the Committee on Appropriations did a good job of providing adequate funding for most of the programs and services in the bill.

Mr. Speaker, I yield back the balance of my time.

Mr. DREIER. Mr. Speaker, I urge adoption of the rule, and I yield back the balance of my time.

The SPEAKER pro tempore. Without objection, the previous question is ordered on the resolution.

There was no objection.

The SPEAKER pro tempore. The question is on the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

CONTINUATION OF NATIONAL EMERGENCY WITH RESPECT TO IRAQ—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 105-291)

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on International Relations and ordered to be printed.

To the Congress of the United States:

Section 202(d) of the National Emergencies Act (50 U.S.C. 1622(d)) provides for the automatic termination of a national emergency unless, prior to the anniversary date of its declaration, the President publishes in the *Federal Register* and transmits to the Congress a notice stating that the emergency is to continue in effect beyond the anniversary date. In accordance with this provision, I have sent the enclosed notice, stating that the Iraqi emergency is to continue in effect beyond August 2, 1998, to the *Federal Register* for publication.

The crisis between the United States and Iraq that led to the declaration on August 2, 1990, of a national emergency has not been resolved. The Government of Iraq continues to engage in activities inimical to stability in the Middle East and hostile to United States interests in the region. Such Iraqi actions pose a continuing unusual and extraordinary threat to the national security and vital foreign policy interests of the United States. For these reasons, I have determined that it is necessary to maintain in force the broad authorities necessary to apply economic pressure on the Government of Iraq.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *July 28, 1998.*

ANNUAL REPORT OF THE CORPORATION OF PUBLIC BROADCASTING AND INVENTORY OF FEDERAL FUNDS DISTRIBUTED TO PUBLIC TELECOMMUNICATIONS ENTITIES FOR FISCAL YEAR 1997

The Speaker pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Commerce:

To the Congress of the United States:

In accordance with the Public Broadcasting Act of 1967, as amended (47 U.S.C. 396(i)), I transmit herewith the Annual Report of the Corporation for Public Broadcasting (CPB) for Fiscal Year 1997 and the Inventory of the Federal Funds Distributed to Public Telecommunications Entities by Federal Departments and Agencies: Fiscal Year 1997.

Thirty years following the establishment of the Corporation for Public Broadcasting, the Congress can take great pride in its creation. During these 30 years, the American public has been educated, inspired, and enriched by the programs and services made possible by this investment.

The need for and the accomplishments of this national network of knowledge have never been more apparent, and as the attached 1997 annual CPB report indicates, by ''Going Digital,'' public broadcasting will have an ever greater capacity for fulfilling its mission.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *July 29, 1998.*

REPORT ON PROLIFERATION OF WEAPONS OF MASS DESTRUCTION—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. 105–293)

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on International Relations and ordered to be printed:

To the Congress of the United States:

On November 14, 1994, in light of the danger of the proliferation of nuclear, biological, and chemical weapons (weapons of mass destruction) and of the means of delivering such weapons, using my authority under the International Emergency Economic Powers Act (50 U.S.C. 1701 *et seq.*), I declared a national emergency and issued Executive Order 12938. Because the proliferation of weapons of mass destruction continues to pose an unusual and extraordinary threat to the national security, foreign policy, and economy of the United States, I have renewed the national emergency declared in Executive Order 12938 annually, most recently on November 14, 1997. Pursuant to section 204(b) of the International Emergency Economic Powers Act (50 U.S.C. 1703(b)), I hereby report to the Congress that I have exercised my statutory authority to issue an Executive order to amend Executive Order 12938 in order to more effectively respond to the worldwide threat of weapons of mass destruction proliferation activities.

The amendment of section 4 of Executive Order 12938 strengthens the original Executive order in several significant ways.

First, the amendment broadens the type of proliferation activity that is subject to potential penalties. Executive Order 12938 covers contributions to the efforts of any foreign country, project, or entity to use, acquire, design, produce, or stockpile chemical or biological weapons (CBW). This amendment adds potential penalties for contributions to foreign programs for nuclear weapons and missiles capable of delivering weapons of mass destruction. For example, the new amendment authorizes the imposition of measures against foreign entities that materially assist Iran's missile program.

Second, the amendment lowers the requirements for imposing penalties. Executive Order 12938 required a finding that a foreign person ''knowingly and materially'' contributed to a foreign CBW program. The amendment removes the ''knowing'' requirement as a basis for determining potential penalties. Therefore, the Secretary of State need only determine that the foreign person made a ''material'' contribution to a weapons of mass destruction or missile program to apply the specified sanctions. At the same time, the Secretary of State will have discretion regarding the scope of sanctions so that a truly unwitting party will not be unfairly punished.

Third, the amendment expands the original Executive order to include ''attempts'' to contribute to foreign proliferation activities, as well as actual contributions. This will allow imposition of penalties even in cases where foreign persons make an unsuccessful effort to contribute to weapons of mass destruction and missile programs or where authorities block a transaction before it is consummated.

Fourth, the amendment expressly expands the range of potential penalties to include the prohibition of United States Government assistance to the foreign person, as well as United States Government procurement and imports into the United States, which were specified by the original Executive

order. Moreover, section 4(b) broadens the scope of the United States Government procurement limitations to include a bar on the procurement of technology, as well as goods or services from any foreign person described in section 4(a). Section 4(d) broadens the scope of import limitations to include a bar on imports of any technology or services produced or provided by any foreign person described in section 4(a).

Finally, this amendment gives the United States Government greater flexibility and discretion in deciding how and to what extent to impose penalties against foreign persons that assist proliferation programs. This provision authorizes the Secretary of State, who will act in consultation with the heads of other interested agencies, to determine the extent to which these measures should be imposed against entities contributing to foreign weapons of mass destruction or missile programs. The Secretary of State will act to further the national security and foreign policy interests of the United States, including principally our nonproliferation objectives. Prior to imposing measures pursuant to this provision, the Secretary of State will take into account the likely effectiveness of such measures in furthering the interests of the United States and the costs and benefits of such measures. This approach provides the necessary flexibility to tailor our responses to specific situations.

I have authorized these actions in view of the danger posed to the national security and foreign policy of the United States by the continuing proliferation of weapons of mass destruction and their means of delivery. I am enclosing a copy of the Executive order that I have issued exercising these authorities.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *July 28, 1998.*

□ 2245

RECOGNIZING THE 50TH ANNIVERSARY OF THE INTEGRATION OF THE ARMED FORCES

Mr. BUYER. Mr. Speaker, I ask unanimous consent that the Committee on National Security be discharged from further consideration of the concurrent resolution (H. Con. Res. 294) recognizing the 50th Anniversary of the integration of the Armed Forces, and for other purposes, and ask for its immediate consideration.

The Clerk read the title of the concurrent resolution.

The SPEAKER pro tempore (Mr. LAHOOD). Is there objection to the request of the gentleman from Indiana?

Mr. SKELTON. Mr. Speaker, reserving the right to object, I will not object, but I would ask the gentleman from Indiana to explain the concurrent resolution.

Mr. BUYER. Mr. Speaker, will the gentleman yield?

Mr. SKELTON. I yield to the gentleman from Indiana.

Mr. BUYER. Mr. Speaker, I rise tonight to mark an important historical event for the Armed Forces, and indeed, for our Nation. On July 26, 1948, just over 50 years ago, President Truman signed Executive Order 9981 ordering the racial integration of the Armed Forces.

When we think about that in the context of the way things are done today, unlike this election year of 1948, it was a presidential election year, and President Truman was running for his first full term of office. Undeterred by those who today would have counseled him to wait until after the election to make such a controversial decision at that time for the integration of the Armed Forces, he acted in what I believe to be a responsible manner, and he did the right thing.

Some may think that his choice was easy, but I believe that the choice at the time was not easy, and it was a courageous decision. It is not easy to make a decision that may profoundly affect the military readiness over the objections of the military leaders of that day. Yet, Harry Truman did just that. Today we acknowledge the overwhelming correctness of that decision.

While President Truman took the first step, our military executed its orders with discipline and purpose. Sure there have been missteps, and yes, there are still areas that could be improved. Most important, however, is that many of America's fine young men and women were finally able to take their rightful place in the Armed Forces, and it helped transform our society.

As we all know, thousands of young African Americans, both men and women, have joined the Armed Forces. They have not only joined but have succeeded in staying in the military, and in higher numbers than their majority counterparts, and are rising to the highest ranks in the military. In fact, today African Americans alone make up 20 percent of the Armed Forces.

The many extraordinary examples of success obviously are far too numerous to cover adequately in these short remarks, but they include General Colin Powell; the Army four-star General Johnny Wilson; the Navy's first of many black admirals, Rear Admiral Samuel Gravely, Junior; and yes, here recently we honored, tragically, the deceased hero, the Capitol police officer, J.J. Chestnut, who served 20 years in the Air Force and was a Vietnam veteran.

I believe that Officer Chestnut and many others are individuals who have served with honor and went on and, in turn, left the service and made great contributions to their communities and this country.

Mr. SKELTON. Mr. Speaker, under my reservation of objection, first I wish to compliment the gentlewoman from California (Ms. MAXINE WATERS) for her foresight in offering this resolution.

I think it is a very, very appropriate one, particularly realizing that I am from Missouri, and that this past weekend, Mr. Speaker, I had the honor of speaking at the commissioning of the U.S.S. Harry S. Truman in Norfolk, Virginia. So I think it is entirely appropriate that I commemorate 50 years of racial integration in the armed services.

It was President Harry Truman, a fellow Missourian, who took the courageous and historic action in signing Executive Order 9981. President Truman had seen many examples of sacrifice by soldiers and airmen which proved that segregation was incompatible with the values of our Nation: the Tuskegee airmen, who never lost a bomber they accompanied, showed the high quality of black pilots; the heroism of Dory Miller, who manned a machine gun, in violation of the Navy's then segregationist policies, to defend Pearl Harbor against the Japanese invasion. For his brave actions, he was awarded a Navy cross for two confirmed kills on Japanese aircraft.

While integration of our military has not been without difficulty, this executive order was a giant step forward in the quality of our force. Take a good look at it today. It works, and it works well.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Indiana?

Ms. MCKINNEY. Mr. Speaker, reserving the right to object, I, too, would like to join my colleagues in commending what I call America's Congresswoman, the gentlewoman from California (Ms. MAXINE WATERS), for shepherding this legislation through the process onto the floor of the House tonight.

As this body recognizes the 50th anniversary of the integration of the Armed Forces, we must remember the historic role that President Truman's executive order played, not only in opening the military to African Americans, but in advancing the March for civil rights for all outside the military. His signature paved the way for today's Army.

Today 27 percent of the Army is black. These proud men and women comprise 12 percent of the officers and 30 percent of the enlisted soldiers. Eight percent of all generals are black. Prior to Truman's executive order, successful African American soldiers were recognized as exceptional, as distinct.

In 1939, the government established a segregated program at the Tuskegee Institute to train blacks as civilian pilots. These young men became known as the Tuskegee Airmen, and became successful World War II pilots. These brave and accomplished flyers never lost a bomber that they accompanied.

Truman's executive order provided African Americans with the opportunity to be more than just the exception. They were the backbone of our enlisted soldiers, and they are our leaders. They are the heroes, like the

Tuskegee Airmen, and they are role models for American society, both black and white.

General Colin Powell in the U.S. Army, Lieutenant General Benjamin O. Davis in the U.S. Air Force, and the Secretary of Veterans Affairs, Togo West, in today's society our young people cannot have too many honorable role models to help instill in them discipline, confidence, and self-respect.

As we honor the integration of the military, we must not forget the steps it took to get us here. The road has not been easy, and we still have a long way to go. The military must still guard against extremists and racist attacks within its ranks, like the tragic incident at Fort Bragg where two black civilians were gunned down by Lieutenant Burmeister.

We must be wary of differential treatments for blacks and whites in legal proceedings. While some white officers are allowed to retire quietly, other black enlisted personnel are sent to courts-martial.

Let me tell Members about a recent case that has come to my attention. This case is of Sgt. Aidens. Sgt. Aidens became the target of an investigation after he refused to lie that he knew about the misconduct of another black serviceman.

Coincidentally, Sgt. Aidens just last night was found to be guilty of using crack cocaine. The evidence used to find him guilty was a pubic hair sample taken by army investigators. Most of America is not aware of this form of drug testing because it is not proven, it is controversial, and gives false positives for African Americans. However, pubic hair testing has been used in military courts as evidence when accompanied with an urinalysis. Yet, in Sgt. Aiden's case, the Army did not give him a urinalysis. If Sgt. Aidens' verdict is upheld, I am very concerned for every African American in our Armed Forces.

A recent article by Charles Moskos lays out some lessons that we can learn on race in the Army. He suggests, one, we focus on black opportunity channels; two, be ruthless against discrimination; three, affirmative action must be linked to standards; four, a level playing field is not enough. We need to recognize the disadvantages that minorities have and compensate those with additional help.

I hope when we recognize the next 50 years of integration of our Armed Forces, that we look at each shortcoming and racist act not only as a battle lost, but a serious chipping away at the war of what it means to be an American and what America means to the world.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Indiana?

There was no objection.

The Clerk read the concurrent resolution, as follows:

H. CON. RES. 294

Whereas on July 26, 1948, President Truman issued Executive Order 9981 ordering the integration of the Armed Forces;

Whereas the President stated in the executive order that it was ''essential that there be maintained in the armed services of the United States the highest standards of democracy, with equality of treatment and opportunity for all those who serve in our country's defense'';

Whereas in the executive order the President declared that ''there shall be equality of treatment and opportunity for all persons in the armed services without regard to race, color, religion or national origin'';

Whereas, soon after the President issued the executive order, United States forces in Korea were integrated, leading the way to a fully integrated army;

Whereas the Armed Forces have used the implementation and enforcement of the Civil Rights Act of 1964 as additional tools to eliminate discrimination among their military and civilian personnel;

Whereas in 1998 minorities serve in senior leadership positions throughout the Armed Forces, as officers, as senior non-commissioned officers, and as civilian leaders;

Whereas the Armed Forces have demonstrated a continuing commitment to ensuring the equality of treatment and opportunity for all military and civilian personnel of the Armed Forces; and

Whereas the efforts of the Armed Forces to ensure the equality of treatment and opportunity for their personnel have contributed significantly to the advancement of equality of treatment and opportunity for all Americans: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That the Congress—

(1) commends the Armed Forces for their efforts, leadership, and success in providing equality of treatment and opportunity for their military and civilian personnel without regard to race, color, religion, or national origin; and

(2) recognizes the Department of Defense's celebration of the 50th Anniversary of the integration of the Armed Forces.

□ 2300

AMENDMENT OFFERED BY MR. BUYER

Mr. BUYER. Mr. Speaker, I offer an amendment to the text.

The Clerk read as follows:

Amendment to the text offered by Mr. BUYER:

Page 2, line 2, strike ''That the Congress'' and all that follows and insert the following: That the Congress commends the Armed Forces for their efforts, leadership, and success in providing equality of treatment and opportunity for their military and civilian personnel without regard to race, color, religion, or national origin.

Mr. BUYER. Mr. Speaker, this amendment makes minor modifications to the resolution that addresses concerns over language that may have been interpreted as conflicting with the House rule against commemoratives. These changes have been worked out in advance with the minority and the sponsor of the resolution, and I understand this to be noncontroversial.

Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the amendment to the text offered by the gentleman from Indiana (Mr. BUYER).

The amendment to the text was agreed to .

The SPEAKER pro tempore. The question is on the concurrent resolution.

The concurrent resolution was agreed to.

AMENDMENT TO THE PREAMBLE OFFERED BY MR. BUYER

Mr. BUYER. Mr. Speaker. I offer an amendment to the preamble.

The Clerk read as follows:

Amendment to the preamble offered by Mr. BUYER:

Page, 1, in the second clause of the preamble insert ''50 years ago'' after ''The President stated''.

The amendment to the preamble was agreed to.

TITLE AMENDMENT OFFERED BY MR. BUYER

Mr. BUYER. Mr. Speaker, I offer an amendment to the title.

The Clerk read as follows:

Title amendment offered by Mr. BUYER:

Amend the title so as to read: ''Concurrent resolution commending the Armed Forces for their efforts, leadership, and success in providing equality of treatment and opportunity for their military and civilian personnel without regard to race, color, religion, or national origin.''

The title amendment was agreed to.

A motion to reconsider was laid on the table.

CONFERENCE REPORT ON H.R. 1385, WORKFORCE INVESTMENT ACT OF 1998

Mr. BOB SCHAFFER of Colorado submitted the following conference report and statement on the bill (H.R. 1385) to consolidate, coordinate, and improve employment, training, literacy, and vocational rehabilitation programs in the United States, and for other purposes:

CONFERENCE REPORT (H. REPT. 105–659)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 1385), to consolidate, coordinate, and improve employment, training, literacy, and vocational rehabilitation programs in the United States, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment, insert the following:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the ''Workforce Investment Act of 1998''.

(b) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

TITLE I—WORKFORCE INVESTMENT SYSTEMS

Subtitle A—Workforce Investment Definitions

SEC. 101. DEFINITIONS.

In this title:

(1) ADULT.—Except in sections 127 and 132, the term ''adult'' means an individual who is age 18 or older.

(2) ADULT EDUCATION; ADULT EDUCATION AND LITERACY ACTIVITIES.—The terms ''adult education'' and ''adult education and literacy activities'' have the meanings given the terms in section 203.

(3) AREA VOCATIONAL EDUCATION SCHOOL.—The term ''area vocational education school'' has the meaning given the term in section 521 of the Carl D. Perkins Vocational and Applied Technology Education Act (20 U.S.C. 2471).

(4) BASIC SKILLS DEFICIENT.—The term ''basic skills deficient'' means, with respect to an individual, that the individual has English reading, writing, or computing skills at or below the 8th grade level on a generally accepted standardized test or a comparable score on a criterion-referenced test.

(5) CASE MANAGEMENT.—The term ''case management'' means the provision of a client-centered approach in the delivery of services, designed—

(A) to prepare and coordinate comprehensive employment plans, such as service strategies, for participants to ensure access to necessary workforce investment activities and supportive services, using, where feasible, computer-based technologies; and

(B) to provide job and career counseling during program participation and after job placement.

(6) CHIEF ELECTED OFFICIAL.—The term ''chief elected official'' means—

(A) the chief elected executive officer of a unit of general local government in a local area; and

(B) in a case in which a local area includes more than 1 unit of general local government, the individuals designated under the agreement described in section 117(c)(1)(B).

(7) COMMUNITY-BASED ORGANIZATION.—The term ''community-based organization'' means a private nonprofit organization that is representative of a community or a significant segment of a community and that has demonstrated expertise and effectiveness in the field of workforce investment.

(8) CUSTOMIZED TRAINING.—The term ''customized training'' means training—

(A) that is designed to meet the special requirements of an employer (including a group of employers);

(B) that is conducted with a commitment by the employer to employ an individual on successful completion of the training; and

(C) for which the employer pays for not less than 50 percent of the cost of the training.

(9) DISLOCATED WORKER.—The term ''dislocated worker'' means an individual who—

(A)(i) has been terminated or laid off, or who has received a notice of termination or layoff, from employment;

(ii)(I) is eligible for or has exhausted entitlement to unemployment compensation; or

(II) has been employed for a duration sufficient to demonstrate, to the appropriate entity at a one-stop center referred to in section 134(c), attachment to the workforce, but is not eligible for unemployment compensation due to insufficient earnings or having performed services for an employer that were not covered under a State unemployment compensation law; and

(iii) is unlikely to return to a previous industry or occupation;

(B)(i) has been terminated or laid off, or has received a notice of termination or layoff, from employment as a result of any permanent closure of, or any substantial layoff at, a plant, facility, or enterprise;

(ii) is employed at a facility at which the employer has made a general announcement that such facility will close within 180 days; or

(iii) for purposes of eligibility to receive services other than training services described in section 134(d)(4), intensive services described in section 134(d)(3), or supportive services, is employed at a facility at which the employer has made a general announcement that such facility will close;

(C) was self-employed (including employment as a farmer, a rancher, or a fisherman) but is unemployed as a result of general economic conditions in the community in which the individual resides or because of natural disasters; or

(D) is a displaced homemaker.

(10) DISPLACED HOMEMAKER.—The term ''displaced homemaker'' means an individual who has been providing unpaid services to family members in the home and who—

(A) has been dependent on the income of another family member but is no longer supported by that income; and

(B) is unemployed or underemployed and is experiencing difficulty in obtaining or upgrading employment.

(11) ECONOMIC DEVELOPMENT AGENCIES.—The term ''economic development agencies'' includes local planning and zoning commissions or boards, community development agencies, and other local agencies and institutions responsible for regulating, promoting, or assisting in local economic development.

(12) ELIGIBLE PROVIDER.—The term ''eligible provider'', used with respect to—

(A) training services, means a provider who is identified in accordance with section 122(e)(3);

(B) intensive services, means a provider who is identified or awarded a contract as described in section 134(d)(3)(B);

(C) youth activities, means a provider who is awarded a grant or contract in accordance with section 123; or

(D) other workforce investment activities, means a public or private entity selected to be responsible for such activities, such as a one-stop operator designated or certified under section 121(d).

(13) ELIGIBLE YOUTH.—Except as provided in subtitles C and D, the term ''eligible youth'' means an individual who—

(A) is not less than age 14 and not more than age 21;

(B) is a low-income individual; and

(C) is an individual who is 1 or more of the following:

(i) Deficient in basic literacy skills.

(ii) A school dropout.

(iii) Homeless, a runaway, or a foster child.

(iv) Pregnant or a parent.

(v) An offender.

(vi) An individual who requires additional assistance to complete an educational program, or to secure and hold employment.

(14) EMPLOYMENT AND TRAINING ACTIVITY.—The term ''employment and training activity'' means an activity described in section 134 that is carried out for an adult or dislocated worker.

(15) FAMILY.—The term ''family'' means two or more persons related by blood, marriage, or decree of court, who are living in a single residence, and are included in one or more of the following categories:

(A) A husband, wife, and dependent children.

(B) A parent or guardian and dependent children.

(C) A husband and wife.

(16) GOVERNOR.—The term ''Governor'' means the chief executive of a State.

(17) INDIVIDUAL WITH A DISABILITY.—

(A) IN GENERAL.—The term ''individual with a disability'' means an individual with any disability (as defined in section 3 of the Americans with Disabilities Act of 1990 (42 U.S.C. 12102)).

(B) INDIVIDUALS WITH DISABILITIES.—The term ''individuals with disabilities'' means more than 1 individual with a disability.

(18) LABOR MARKET AREA.—The term ''labor market area'' means an economically integrated geographic area within which individuals can reside and find employment within a reasonable distance or can readily change employment without changing their place of residence. Such an area shall be identified in accordance with criteria used by the Bureau of Labor Statistics of the Department of Labor in defining such areas or similar criteria established by a Governor.

(19) LITERACY.—The term ''literacy'' has the meaning given the term in section 203.

(20) LOCAL AREA.—The term ''local area'' means a local workforce investment area designated under section 116.

(21) LOCAL BOARD.—The term ''local board'' means a local workforce investment board established under section 117.

(22) LOCAL PERFORMANCE MEASURE.—The term ''local performance measure'' means a performance measure established under section 136(c).

(23) LOCAL EDUCATIONAL AGENCY.—The term ''local educational agency'' has the meaning given the term in section 14101 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 8801).

(24) LOWER LIVING STANDARD INCOME LEVEL.—The term ''lower living standard income level'' means that income level (adjusted for regional, metropolitan, urban, and rural differences and family size) determined annually by the Secretary based on the most recent lower living family budget issued by the Secretary.

(25) LOW-INCOME INDIVIDUAL.—The term ''low-income individual'' means an individual who—

(A) receives, or is a member of a family that receives, cash payments under a Federal, State, or local income-based public assistance program;

(B) received an income, or is a member of a family that received a total family income, for the 6-month period prior to application for the program involved (exclusive of unemployment compensation, child support payments, payments described in subparagraph (A), and old-age and survivors insurance benefits received under section 202 of the Social Security Act (42 U.S.C. 402)) that, in relation to family size, does not exceed the higher of—

(i) the poverty line, for an equivalent period; or

(ii) 70 percent of the lower living standard income level, for an equivalent period;

(C) is a member of a household that receives (or has been determined within the 6-month period prior to application for the program involved to be eligible to receive) food stamps pursuant to the Food Stamp Act of 1977 (7 U.S.C. 2011 et seq.);

(D) qualifies as a homeless individual, as defined in subsections (a) and (c) of section 103 of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11302);

(E) is a foster child on behalf of whom State or local government payments are made; or

(F) in cases permitted by regulations promulgated by the Secretary of Labor, is an individual with a disability whose own income meets the requirements of a program described in subparagraph (A) or of subparagraph (B), but who is a member of a family whose income does not meet such requirements.

(26) NONTRADITIONAL EMPLOYMENT.—The term ''nontraditional employment'' refers to occupations or fields of work for which individuals from one gender comprise less than 25 percent of the individuals employed in each such occupation or field of work.

(27) OFFENDER.—The term ''offender'' means any adult or juvenile—

(A) who is or has been subject to any stage of the criminal justice process, for whom services under this Act may be beneficial; or

(B) who requires assistance in overcoming artificial barriers to employment resulting from a record of arrest or conviction.

(28) OLDER INDIVIDUAL.—The term ''older individual'' means an individual age 55 or older.

(29) ONE-STOP OPERATOR.—The term ''one-stop operator'' means 1 or more entities designated or certified under section 121(d).

(30) ONE-STOP PARTNER.—The term ''one-stop partner'' means—

(A) an entity described in section 121(b)(1); and

(B) an entity described in section 121(b)(2) that is participating, with the approval of the local board and chief elected official, in the operation of a one-stop delivery system.

(31) ON-THE-JOB TRAINING.—The term ''on-the-job training'' means training by an employer that is provided to a paid participant while engaged in productive work in a job that—

(A) provides knowledge or skills essential to the full and adequate performance of the job;

(B) provides reimbursement to the employer of up to 50 percent of the wage rate of the participant, for the extraordinary costs of providing the training and additional supervision related to the training; and

(C) is limited in duration as appropriate to the occupation for which the participant is being trained, taking into account the content of the training, the prior work experience of the participant, and the service strategy of the participant, as appropriate.

(32) OUTLYING AREA.—The term ''outlying area'' means the United States Virgin Islands, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, the Republic of the Marshall Islands, the Federated States of Micronesia, and the Republic of Palau.

(33) OUT-OF-SCHOOL YOUTH.—The term ''out-of-school youth'' means—

(A) an eligible youth who is a school dropout; or

(B) an eligible youth who has received a secondary school diploma or its equivalent but is basic skills deficient, unemployed, or underemployed.

(34) PARTICIPANT.—The term ''participant'' means an individual who has been determined to be eligible to participate in and who is receiving services (except followup services authorized under this title) under a program authorized by this title. Participation shall be deemed to commence on the first day, following determination of eligibility, on which the individual began receiving subsidized employment, training, or other services provided under this title.

(35) POSTSECONDARY EDUCATIONAL INSTITUTION.—The term ''postsecondary educational institution'' means an institution of higher education, as defined in section 481 of the Higher Education Act of 1965 (20 U.S.C. 1088).

(36) POVERTY LINE.—The term ''poverty line'' means the poverty line (as defined by the Office of Management and Budget, and revised annually in accordance with section 673(2) of the Community Services Block Grant Act (42 U.S.C. 9902(2))) applicable to a family of the size involved.

(37) PUBLIC ASSISTANCE.—The term ''public assistance'' means Federal, State, or local government cash payments for which eligibility is determined by a needs or income test.

(38) RAPID RESPONSE ACTIVITY.—The term ''rapid response activity'' means an activity provided by a State, or by an entity designated by a State, with funds provided by the State under section 134(a)(1)(A), in the case of a permanent closure or mass layoff at a plant, facility, or enterprise, or a natural or other disaster, that results in mass job dislocation, in order to assist

dislocated workers in obtaining reemployment as soon as possible, with services including—

(A) the establishment of onsite contact with employers and employee representatives—

(i) immediately after the State is notified of a current or projected permanent closure or mass layoff; or

(ii) in the case of a disaster, immediately after the State is made aware of mass job dislocation as a result of such disaster;

(B) the provision of information and access to available employment and training activities;

(C) assistance in establishing a labor-management committee, voluntarily agreed to by labor and management, with the ability to devise and implement a strategy for assessing the employment and training needs of dislocated workers and obtaining services to meet such needs;

(D) the provision of emergency assistance adapted to the particular closure, layoff, or disaster; and

(E) the provision of assistance to the local community in developing a coordinated response and in obtaining access to State economic development assistance.

(39) SCHOOL DROPOUT.—The term ''school dropout'' means an individual who is no longer attending any school and who has not received a secondary school diploma or its recognized equivalent.

(40) SECONDARY SCHOOL.—The term ''secondary school'' has the meaning given the term in section 14101 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 8801).

(41) SECRETARY.—The term ''Secretary'' means the Secretary of Labor, and the term means such Secretary for purposes of section 503.

(42) STATE.—The term ''State'' means each of the several States of the United States, the District of Columbia, and the Commonwealth of Puerto Rico.

(43) STATE ADJUSTED LEVEL OF PERFORMANCE.—The term ''State adjusted level of performance'' means a level described in clause (iii) or (v) of section 136(b)(3)(A).

(44) STATE BOARD.—The term ''State board'' means a State workforce investment board established under section 111.

(45) STATE PERFORMANCE MEASURE.—The term ''State performance measure'' means a performance measure established under section 136(b).

(46) SUPPORTIVE SERVICES.—The term ''supportive services'' means services such as transportation, child care, dependent care, housing, and needs-related payments, that are necessary to enable an individual to participate in activities authorized under this title, consistent with the provisions of this title.

(47) UNEMPLOYED INDIVIDUAL.—The term ''unemployed individual'' means an individual who is without a job and who wants and is available for work. The determination of whether an individual is without a job shall be made in accordance with the criteria used by the Bureau of Labor Statistics of the Department of Labor in defining individuals as unemployed.

(48) UNIT OF GENERAL LOCAL GOVERNMENT.—The term ''unit of general local government'' means any general purpose political subdivision of a State that has the power to levy taxes and spend funds, as well as general corporate and police powers.

(49) VETERAN; RELATED DEFINITION.—

(A) VETERAN.—The term ''veteran'' means an individual who served in the active military, naval, or air service, and who was discharged or released from such service under conditions other than dishonorable.

(B) RECENTLY SEPARATED VETERAN.—The term ''recently separated veteran'' means any veteran who applies for participation under this title within 48 months after the discharge or release from active military, naval, or air service.

(50) VOCATIONAL EDUCATION.—The term ''vocational education'' has the meaning given the term in section 521 of the Carl D. Perkins Vocational and Applied Technology Education Act (20 U.S.C. 2471).

(51) WORKFORCE INVESTMENT ACTIVITY.—The term ''workforce investment activity'' means an employment and training activity, and a youth activity.

(52) YOUTH ACTIVITY.—The term ''youth activity'' means an activity described in section 129 that is carried out for eligible youth (or as described in section 129(c)(5)).

(53) YOUTH COUNCIL.—The term ''youth council'' means a council established under section 117(h).

Subtitle B—Statewide and Local Workforce Investment Systems

SEC. 106. PURPOSE.

The purpose of this subtitle is to provide workforce investment activities, through statewide and local workforce investment systems, that increase the employment, retention, and earnings of participants, and increase occupational skill attainment by participants, and, as a result, improve the quality of the workforce, reduce welfare dependency, and enhance the productivity and competitiveness of the Nation.

CHAPTER 1—STATE PROVISIONS

SEC. 111. STATE WORKFORCE INVESTMENT BOARDS.

(a) IN GENERAL.—The Governor of a State shall establish a State workforce investment board to assist in the development of the State plan described in section 112 and to carry out the other functions described in subsection (d).

(b) MEMBERSHIP.—

(1) IN GENERAL.—The State Board shall include—

(A) the Governor;

(B) 2 members of each chamber of the State legislature, appointed by the appropriate presiding officers of each such chamber; and

(C) representatives appointed by the Governor, who are—

(i) representatives of business in the State, who—

(I) are owners of businesses, chief executives or operating officers of businesses, and other business executives or employers with optimum policymaking or hiring authority, including members of local boards described in section 117(b)(2)(A)(i);

(II) represent businesses with employment opportunities that reflect the employment opportunities of the State; and

(III) are appointed from among individuals nominated by State business organizations and business trade associations;

(ii) chief elected officials (representing both cities and counties, where appropriate);

(iii) representatives of labor organizations, who have been nominated by State labor federations;

(iv) representatives of individuals and organizations that have experience with respect to youth activities;

(v) representatives of individuals and organizations that have experience and expertise in the delivery of workforce investment activities, including chief executive officers of community colleges and community-based organizations within the State;

(vi)(I) the lead State agency officials with responsibility for the programs and activities that are described in section 121(b) and carried out by one-stop partners; and

(II) in any case in which no lead State agency official has responsibility for such a program, service, or activity, a representative in the State with expertise relating to such program, service, or activity; and

(vii) such other representatives and State agency officials as the Governor may designate, such as the State agency officials responsible for economic development and juvenile justice programs in the State.

(2) AUTHORITY AND REGIONAL REPRESENTATION OF BOARD MEMBERS.—Members of the board that represent organizations, agencies, or other entities shall be individuals with optimum policymaking authority within the organizations, agencies, or entities. The members of the board shall represent diverse regions of the State, including urban, rural, and suburban areas.

(3) MAJORITY.—A majority of the members of the State Board shall be representatives described in paragraph (1)(C)(i).

(c) CHAIRMAN.—The Governor shall select a chairperson for the State Board from among the representatives described in subsection (b)(1)(C)(i).

(d) FUNCTIONS.—The State Board shall assist the Governor in—

(1) development of the State plan;

(2) development and continuous improvement of a statewide system of activities that are funded under this subtitle or carried out through a one-stop delivery system described in section 134(c) that receives funds under this subtitle (referred to in this title as a ''statewide workforce investment system''), including—

(A) development of linkages in order to assure coordination and nonduplication among the programs and activities described in section 121(b); and

(B) review of local plans;

(3) commenting at least once annually on the measures taken pursuant to section 113(b)(14) of the Carl D. Perkins Vocational and Applied Technology Education Act (20 U.S.C 2323(b)(14));

(4) designation of local areas as required in section 116;

(5) development of allocation formulas for the distribution of funds for adult employment and training activities and youth activities to local areas as permitted under sections 128(b)(3)(B) and 133(b)(3)(B);

(6) development and continuous improvement of comprehensive State performance measures, including State adjusted levels of performance, to assess the effectiveness of the workforce investment activities in the State as required under section 136(b);

(7) preparation of the annual report to the Secretary described in section 136(d);

(8) development of the statewide employment statistics system described in section 15(e) of the Wagner-Peyser Act; and

(9) development of an application for an incentive grant under section 503.

(e) ALTERNATIVE ENTITY.—

(1) IN GENERAL.—For purposes of complying with subsections (a), (b), and (c), a State may use any State entity (including a State council, State workforce development board, combination of regional workforce development boards, or similar entity) that—

(A) was in existence on December 31, 1997;

(B)(i) was established pursuant to section 122 or title VII of the Job Training Partnership Act, as in effect on December 31, 1997; or

(ii) is substantially similar to the State board described in subsections (a), (b), and (c); and

(C) includes representatives of business in the State and representatives of labor organizations in the State.

(2) REFERENCES.—References in this Act to a State board shall be considered to include such an entity.

(f) CONFLICT OF INTEREST.—A member of a State board may not—

(1) vote on a matter under consideration by the State board—

(A) regarding the provision of services by such member (or by an entity that such member represents); or

(B) that would provide direct financial benefit to such member or the immediate family of such member; or

(2) engage in any other activity determined by the Governor to constitute a conflict of interest as specified in the State plan.

(g) SUNSHINE PROVISION.—The State board shall make available to the public, on a regular basis through open meetings, information regarding the activities of the State board, including information regarding the State plan prior to submission of the plan, information regarding

membership, and, on request, minutes of formal meetings of the State board.

SEC. 112. STATE PLAN.

(a) IN GENERAL.—For a State to be eligible to receive an allotment under section 127 or 132, or to receive financial assistance under the Wagner-Peyser Act (29 U.S.C. 49 et seq.), the Governor of the State shall submit to the Secretary for consideration by the Secretary, a single State plan (referred to in this title as the ''State plan'') that outlines a 5-year strategy for the statewide workforce investment system of the State and that meets the requirements of section 111 and this section.

(b) CONTENTS.—The State plan shall include—

(1) a description of the State board, including a description of the manner in which such board collaborated in the development of the State plan and a description of how the board will continue to collaborate in carrying out the functions described in section 111(d);

(2) a description of State-imposed requirements for the statewide workforce investment system;

(3) a description of the State performance accountability system developed for the workforce investment activities to be carried out through the statewide workforce investment system, that includes information identifying State performance measures as described in section 136(b)(3)(A)(ii);

(4) information describing—

(A) the needs of the State with regard to current and projected employment opportunities, by occupation;

(B) the job skills necessary to obtain such employment opportunities;

(C) the skills and economic development needs of the State; and

(D) the type and availability of workforce investment activities in the State;

(5) an identification of local areas designated in the State, including a description of the process used for the designation of such areas;

(6) an identification of criteria to be used by chief elected officials for the appointment of members of local boards based on the requirements of section 117;

(7) the detailed plans required under section 8 of the Wagner-Peyser Act (29 U.S.C. 49g);

(8)(A) a description of the procedures that will be taken by the State to assure coordination of and avoid duplication among—

(i) workforce investment activities authorized under this title;

(ii) other activities authorized under this title;

(iii) programs authorized under the Wagner-Peyser Act (29 U.S.C. 49 et seq.), title II of this Act, title I of the Rehabilitation Act of 1973 (29 U.S.C. 720 et seq.), part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.), and section 6(d)(4) of the Food Stamp Act of 1977 (7 U.S.C. 2015(d)(4)), activities authorized under title V of the Older Americans Act of 1965 (42 U.S.C. 3056 et seq.), and postsecondary vocational education activities authorized under the Carl D. Perkins Vocational and Applied Technology Education Act (20 U.S.C. 2301 et seq.);

(iv) work programs authorized under section 6(o) of the Food Stamp Act of 1977 (7 U.S.C. 2015(o));

(v) activities authorized under chapter 2 of title II of the Trade Act of 1974 (19 U.S.C. 2271 et seq.);

(vi) activities authorized under chapter 41 of title 38, United States Code;

(vii) employment and training activities carried out under the Community Services Block Grant Act (42 U.S.C. 9901 et seq.);

(viii) activities authorized under the National and Community Service Act of 1990 (42 U.S.C. 12501 et seq.);

(ix) employment and training activities carried out by the Department of Housing and Urban Development; and

(x) programs authorized under State unemployment compensation laws (in accordance with applicable Federal law); and

(B) a description of the common data collection and reporting processes used for the programs and activities described in subparagraph (A);

(9) a description of the process used by the State, consistent with section 111(g), to provide an opportunity for public comment, including comment by representatives of businesses and representatives of labor organizations, and input into development of the plan, prior to submission of the plan;

(10) information identifying how the State will use funds the State receives under this subtitle to leverage other Federal, State, local, and private resources, in order to maximize the effectiveness of such resources, and to expand the participation of business, employees, and individuals in the statewide workforce investment system;

(11) assurances that the State will provide, in accordance with section 184 for fiscal control and fund accounting procedures that may be necessary to ensure the proper disbursement of, and accounting for, funds paid to the State through the allotments made under sections 127 and 132;

(12)(A) a description of the methods and factors the State will use in distributing funds to local areas for youth activities and adult employment and training activities under sections 128(b)(3)(B) and 133(b)(3)(B), including—

(i) a description of how the individuals and entities represented on the State board were involved in determining such methods and factors of distribution; and

(ii) a description of how the State consulted with chief elected officials in local areas throughout the State in determining such distribution;

(B) assurances that the funds will be distributed equitably throughout the State, and that no local areas will suffer significant shifts in funding from year to year; and

(C) a description of the formula prescribed by the Governor pursuant to section 133(b)(2)(B) for the allocation of funds to local areas for dislocated worker employment and training activities;

(13) information specifying the actions that constitute a conflict of interest prohibited in the State for purposes of sections 111(f) and 117(g);

(14) with respect to the one-stop delivery systems described in section 134(c) (referred to individually in this title as a ''one-stop delivery system''), a description of the strategy of the State for assisting local areas in development and implementation of fully operational one-stop delivery systems in the State;

(15) a description of the appeals process referred to in section 116(a)(5);

(16) a description of the competitive process to be used by the State to award grants and contracts in the State for activities carried out under this title;

(17) with respect to the employment and training activities authorized in section 134—

(A) a description of—

(i) the employment and training activities that will be carried out with the funds received by the State through the allotment made under section 132;

(ii) how the State will provide rapid response activities to dislocated workers from funds reserved under section 133(a)(2) for such purposes, including the designation of an identifiable State rapid response dislocated worker unit to carry out statewide rapid response activities;

(iii) the procedures the local boards in the State will use to identify eligible providers of training services described in section 134(d)(4) (other than on-the-job training or customized training), as required under section 122; and

(iv) how the State will serve the employment and training needs of dislocated workers (including displaced homemakers), low-income individuals (including recipients of public assistance), individuals training for nontraditional employment, and other individuals with multiple barriers to employment (including older individuals and individuals with disabilities); and

(B) an assurance that veterans will be afforded the employment and training activities by the State, to the extent practicable; and

(18) with respect to youth activities authorized in section 129, information—

(A) describing the State strategy for providing comprehensive services to eligible youth, particularly those eligible youth who are recognized as having significant barriers to employment;

(B) identifying the criteria to be used by local boards in awarding grants for youth activities, including criteria that the Governor and local boards will use to identify effective and ineffective youth activities and providers of such activities;

(C) describing how the State will coordinate the youth activities carried out in the State under section 129 with the services provided by Job Corps centers in the State (where such centers exist); and

(D) describing how the State will coordinate youth activities described in subparagraph (C) with activities carried out through the youth opportunity grants under section 169.

(c) PLAN SUBMISSION AND APPROVAL.—A State plan submitted to the Secretary under this section by a Governor shall be considered to be approved by the Secretary at the end of the 90-day period beginning on the day the Secretary receives the plan, unless the Secretary makes a written determination, during the 90-day period, that—

(1) the plan is inconsistent with the provisions of this title; and

(2) in the case of the portion of the plan described in section 8(a) of the Wagner-Peyser Act (29 U.S.C. 49g(a)), the portion does not satisfy the criteria for approval provided in section 8(d) of such Act.

(d) MODIFICATIONS TO PLAN.—A State may submit modifications to a State plan in accordance with the requirements of this section and section 111 as necessary during the 5-year period covered by the plan.

CHAPTER 2—LOCAL PROVISIONS

SEC. 116. LOCAL WORKFORCE INVESTMENT AREAS.

(a) DESIGNATION OF AREAS.—

(1) IN GENERAL.—

(A) PROCESS.—Except as provided in subsection (b), and consistent with paragraphs (2), (3), and (4), in order for a State to receive an allotment under section 127 or 132, the Governor of the State shall designate local workforce investment areas within the State—

(i) through consultation with the State board; and

(ii) after consultation with chief elected officials and after consideration of comments received through the public comment process as described in section 112(b)(9).

(B) CONSIDERATIONS.—In making the designation of local areas, the Governor shall take into consideration the following:

(i) Geographic areas served by local educational agencies and intermediate educational agencies.

(ii) Geographic areas served by postsecondary educational institutions and area vocational education schools.

(iii) The extent to which such local areas are consistent with labor market areas.

(iv) The distance that individuals will need to travel to receive services provided in such local areas.

(v) The resources of such local areas that are available to effectively administer the activities carried out under this subtitle.

(2) AUTOMATIC DESIGNATION.—The Governor shall approve any request for designation as a local area—

(A) from any unit of general local government with a population of 500,000 or more;

(B) of the area served by a rural concentrated employment program grant recipient of demonstrated effectiveness that served as a service

delivery area or substate area under the Job Training Partnership Act, if the grant recipient has submitted the request; and

(C) of an area that served as a service delivery area under section 101(a)(4)(A)(ii) of the Job Training Partnership Act (as in effect on the day before the date of enactment of this Act) in a State that has a population of not more than 1,100,000 and a population density greater than 900 persons per square mile.

(3) TEMPORARY AND SUBSEQUENT DESIGNATION.—

(A) CRITERIA.—Notwithstanding paragraph (2)(A), the Governor shall approve any request, made not later than the date of submission of the initial State plan under this subtitle, for temporary designation as a local area from any unit of general local government (including a combination of such units) with a population of 200,000 or more that was a service delivery area under the Job Training Partnership Act on the day before the date of enactment of this Act if the Governor determines that the area—

(i) performed successfully, in each of the last 2 years prior to the request for which data are available, in the delivery of services to participants under part A of title II and title III of the Job Training Partnership Act (as in effect on such day); and

(ii) has sustained the fiscal integrity of the funds used by the area to carry out activities under such part and title.

(B) DURATION AND SUBSEQUENT DESIGNATION.—A temporary designation under this paragraph shall be for a period of not more than 2 years, after which the designation shall be extended until the end of the period covered by the State plan if the Governor determines that, during the temporary designation period, the area substantially met (as defined by the State board) the local performance measures for the local area and sustained the fiscal integrity of the funds used by the area to carry out activities under this subtitle.

(C) TECHNICAL ASSISTANCE.—The Secretary shall provide the States with technical assistance in making the determinations required by this paragraph. The Secretary shall not issue regulations governing determinations to be made under this paragraph.

(D) PERFORMED SUCCESSFULLY.—In this paragraph, the term ''performed successfully'' means that the area involved met or exceeded the performance standards for activities administered in the area that—

(i) are established by the Secretary for each year and modified by the adjustment methodology of the State (used to account for differences in economic conditions, participant characteristics, and combination of services provided from the combination assumed for purposes of the established standards of the Secretary); and

(ii)(I) if the area was designated as both a service delivery area and a substate area under the Job Training Partnership Act (as in effect on the day before the date of enactment of this Act)—

(aa) relate to job retention and earnings, with respect to activities carried out under part A of title II of such Act (as in effect on such day); or

(bb) relate to entry into employment, with respect to activities carried out under title III of such Act (as in effect on such day);

(II) if the area was designated only as a service delivery area under such Act (as in effect on such day), relate to the standards described in subclause (I)(aa); or

(III) if the area was only designated as a substate area under such Act (as in effect on such day), relate to the standards described in subclause (I)(bb) .

(E) SUSTAINED THE FISCAL INTEGRITY.—In this paragraph, the term ''sustained the fiscal integrity'', used with respect to funds used by a service delivery area or local area, means that the Secretary has not made a final determination during any of the last 3 years for which data are available, prior to the date of the designation request involved, that either the grant recipient or the administrative entity of the area misexpended the funds due to willful disregard of the requirements of the Act involved, gross negligence, or failure to observe accepted standards of administration.

(4) DESIGNATION ON RECOMMENDATION OF STATE BOARD.—The Governor may approve a request from any unit of general local government (including a combination of such units) for designation (including temporary designation) as a local area if the State board determines, taking into account the factors described in clauses (i) through (v) of paragraph (1)(B), and recommends to the Governor, that such area should be so designated.

(5) APPEALS.—A unit of general local government (including a combination of such units) or grant recipient that requests but is not granted designation of an area as a local area under paragraph (2) or (3) may submit an appeal to the State board under an appeal process established in the State plan. If the appeal does not result in such a designation, the Secretary, after receiving a request for review from the unit or grant recipient and on determining that the unit or grant recipient was not accorded procedural rights under the appeal process established in the State plan or that the area meets the requirements of paragraph (2) or (3), as appropriate, may require that the area be designated as a local area under such paragraph.

(b) SMALL STATES.—The Governor of any State that was a single State service delivery area under the Job Training Partnership Act as of July 1, 1998, may designate the State as a single State local area for the purposes of this title. In the case of such a designation, the Governor shall identify the State as a local area under section 112(b)(5).

(c) REGIONAL PLANNING AND COOPERATION.—

(1) PLANNING.—As part of the process for developing the State plan, a State may require regional planning by local boards for a designated region in the State. The State may require the local boards for a designated region to participate in a regional planning process that results in the establishment of regional performance measures for workforce investment activities authorized under this subtitle. The State may award regional incentive grants to the designated regions that meet or exceed the regional performance measures.

(2) INFORMATION SHARING.—The State may require the local boards for a designated region to share, in feasible cases, employment statistics, information about employment opportunities and trends, and other types of information that would assist in improving the performance of all local areas in the designated region on local performance measures.

(3) COORDINATION OF SERVICES.—The State may require the local boards for a designated region to coordinate the provision of workforce investment activities authorized under this subtitle, including the provision of transportation and other supportive services, so that services provided through the activities may be provided across the boundaries of local areas within the designated region.

(4) INTERSTATE REGIONS.—Two or more States that contain an interstate region that is a labor market area, economic development region, or other appropriate contiguous subarea of the States may designate the area as a designated region for purposes of this subsection, and jointly exercise the State functions described in paragraphs (1) through (3).

(5) DEFINITIONS.—In this subsection:

(A) DESIGNATED REGION.—The term ''designated region'' means a combination of local areas that are partly or completely in a single labor market area, economic development region, or other appropriate contiguous subarea of a State, that is designated by the State, except as provided in paragraph (4).

(B) LOCAL BOARD FOR A DESIGNATED REGION.—The term ''local board for a designated region'' means a local board for a local area in a designated region.

SEC. 117. LOCAL WORKFORCE INVESTMENT BOARDS.

(a) ESTABLISHMENT.—There shall be established in each local area of a State, and certified by the Governor of the State, a local workforce investment board, to set policy for the portion of the statewide workforce investment system within the local area (referred to in this title as a ''local workforce investment system'').

(b) MEMBERSHIP.—

(1) STATE CRITERIA.—The Governor of the State, in partnership with the State board, shall establish criteria for use by chief elected officials in the local areas for appointment of members of the local boards in such local areas in accordance with the requirements of paragraph (2).

(2) COMPOSITION.—Such criteria shall require, at a minimum, that the membership of each local board—

(A) shall include—

(i) representatives of business in the local area, who—

(I) are owners of businesses, chief executives or operating officers of businesses, and other business executives or employers with optimum policymaking or hiring authority;

(II) represent businesses with employment opportunities that reflect the employment opportunities of the local area; and

(III) are appointed from among individuals nominated by local business organizations and business trade associations;

(ii) representatives of local educational entities, including representatives of local educational agencies, local school boards, entities providing adult education and literacy activities, and postsecondary educational institutions (including representatives of community colleges, where such entities exist), selected from among individuals nominated by regional or local educational agencies, institutions, or organizations representing such local educational entities;

(iii) representatives of labor organizations (for a local area in which employees are represented by labor organizations), nominated by local labor federations, or (for a local area in which no employees are represented by such organizations), other representatives of employees;

(iv) representatives of community-based organizations (including organizations representing individuals with disabilities and veterans, for a local area in which such organizations are present);

(v) representatives of economic development agencies, including private sector economic development entities; and

(vi) representatives of each of the one-stop partners; and

(B) may include such other individuals or representatives of entities as the chief elected official in the local area may determine to be appropriate.

(3) AUTHORITY OF BOARD MEMBERS.—Members of the board that represent organizations, agencies, or other entities shall be individuals with optimum policymaking authority within the organizations, agencies, or entities.

(4) MAJORITY.—A majority of the members of the local board shall be representatives described in paragraph (2)(A)(i).

(5) CHAIRPERSON.—The local board shall elect a chairperson for the local board from among the representatives described in paragraph (2)(A)(i).

(c) APPOINTMENT AND CERTIFICATION OF BOARD.—

(1) APPOINTMENT OF BOARD MEMBERS AND ASSIGNMENT OF RESPONSIBILITIES.—

(A) IN GENERAL.—The chief elected official in a local area is authorized to appoint the members of the local board for such area, in accordance with the State criteria established under subsection (b).

(B) MULTIPLE UNITS OF LOCAL GOVERNMENT IN AREA.—

(i) IN GENERAL.—In a case in which a local area includes more than 1 unit of general local government, the chief elected officials of such units may execute an agreement that specifies the respective roles of the individual chief elected officials—

(I) in the appointment of the members of the local board from the individuals nominated or recommended to be such members in accordance with the criteria established under subsection (b); and

(II) in carrying out any other responsibilities assigned to such officials under this subtitle.

(ii) LACK OF AGREEMENT.—If, after a reasonable effort, the chief elected officials are unable to reach agreement as provided under clause (i), the Governor may appoint the members of the local board from individuals so nominated or recommended.

(C) CONCENTRATED EMPLOYMENT PROGRAMS.—In the case of a local area designated in accordance with section 116(a)(2)(B), the governing body of the concentrated employment program involved shall act in consultation with the chief elected official in the local area to appoint members of the local board, in accordance with the State criteria established under subsection (b), and to carry out any other responsibility relating to workforce investment activities assigned to such official under this Act.

(2) CERTIFICATION.—

(A) IN GENERAL.—The Governor shall, once every 2 years, certify 1 local board for each local area in the State.

(B) CRITERIA.—Such certification shall be based on criteria established under subsection (b) and, for a second or subsequent certification, the extent to which the local board has ensured that workforce investment activities carried out in the local area have enabled the local area to meet the local performance measures.

(C) FAILURE TO ACHIEVE CERTIFICATION.—Failure of a local board to achieve certification shall result in reappointment and certification of another local board for the local area pursuant to the process described in paragraph (1) and this paragraph.

(3) DECERTIFICATION.—

(A) FRAUD, ABUSE, FAILURE TO CARRY OUT FUNCTIONS.—Notwithstanding paragraph (2), the Governor may decertify a local board, at any time after providing notice and an opportunity for comment, for—

(i) fraud or abuse; or

(ii) failure to carry out the functions specified for the local board in any of paragraphs (1) through (7) of subsection (d).

(B) NONPERFORMANCE.—Notwithstanding paragraph (2), the Governor may decertify a local board if a local area fails to meet the local performance measures for such local area for 2 consecutive program years (in accordance with section 136(h)).

(C) PLAN.—If the Governor decertifies a local board for a local area under subparagraph (A) or (B), the Governor may require that a new local board be appointed and certified for the local area pursuant to a reorganization plan developed by the Governor, in consultation with the chief elected official in the local area, and in accordance with the criteria established under subsection (b).

(4) SINGLE STATE AREA.—Notwithstanding subsection (b) and paragraphs (1) and (2), if a State described in section 116(b) indicates in the State plan that the State will be treated as a local area for purposes of the application of this title, the Governor may designate the State board to carry out any of the functions described in subsection (d).

(d) FUNCTIONS OF LOCAL BOARD.—The functions of the local board shall include the following:

(1) LOCAL PLAN.—Consistent with section 118, each local board, in partnership with the chief elected official for the local area involved, shall develop and submit a local plan to the Governor.

(2) SELECTION OF OPERATORS AND PROVIDERS.—

(A) SELECTION OF ONE-STOP OPERATORS.—Consistent with section 121(d), the local board, with the agreement of the chief elected official—

(i) shall designate or certify one-stop operators as described in section 121(d)(2)(A); and

(ii) may terminate for cause the eligibility of such operators.

(B) SELECTION OF YOUTH PROVIDERS.—Consistent with section 123, the local board shall identify eligible providers of youth activities in the local area by awarding grants or contracts on a competitive basis, based on the recommendations of the youth council.

(C) IDENTIFICATION OF ELIGIBLE PROVIDERS OF TRAINING SERVICES.—Consistent with section 122, the local board shall identify eligible providers of training services described in section 134(d)(4) in the local area.

(D) IDENTIFICATION OF ELIGIBLE PROVIDERS OF INTENSIVE SERVICES.—If the one-stop operator does not provide intensive services in a local area, the local board shall identify eligible providers of intensive services described in section 134(d)(3) in the local area by awarding contracts.

(3) BUDGET AND ADMINISTRATION.—

(A) BUDGET.—The local board shall develop a budget for the purpose of carrying out the duties of the local board under this section, subject to the approval of the chief elected official.

(B) ADMINISTRATION.—

(i) GRANT RECIPIENT.—

(I) IN GENERAL.—The chief elected official in a local area shall serve as the local grant recipient for, and shall be liable for any misuse of, the grant funds allocated to the local area under sections 128 and 133, unless the chief elected official reaches an agreement with the Governor for the Governor to act as the local grant recipient and bear such liability.

(II) DESIGNATION.—In order to assist in the administration of the grant funds, the chief elected official or the Governor, where the Governor serves as the local grant recipient for a local area, may designate an entity to serve as a local grant subrecipient for such funds or as a local fiscal agent. Such designation shall not relieve the chief elected official or the Governor of the liability for any misuse of grant funds as described in subclause (I).

(III) DISBURSAL.—The local grant recipient or an entity designated under subclause (II) shall disburse such funds for workforce investment activities at the direction of the local board, pursuant to the requirements of this title, if the direction does not violate a provision of this Act. The local grant recipient or entity designated under subclause (II) shall disburse the funds immediately on receiving such direction from the local board.

(ii) STAFF.—The local board may employ staff.

(iii) GRANTS AND DONATIONS.—The local board may solicit and accept grants and donations from sources other than Federal funds made available under this Act.

(4) PROGRAM OVERSIGHT.—The local board, in partnership with the chief elected official, shall conduct oversight with respect to local programs of youth activities authorized under section 129, local employment and training activities authorized under section 134, and the one-stop delivery system in the local area.

(5) NEGOTIATION OF LOCAL PERFORMANCE MEASURES.—The local board, the chief elected official, and the Governor shall negotiate and reach agreement on local performance measures as described in section 136(c).

(6) EMPLOYMENT STATISTICS SYSTEM.—The local board shall assist the Governor in developing the statewide employment statistics system described in section 15(e) of the Wagner-Peyser Act.

(7) EMPLOYER LINKAGES.—The local board shall coordinate the workforce investment activities authorized under this subtitle and carried out in the local area with economic development strategies and develop other employer linkages with such activities.

(8) CONNECTING, BROKERING, AND COACHING.—The local board shall promote the participation of private sector employers in the statewide workforce investment system and ensure the effective provision, through the system, of connecting, brokering, and coaching activities, through intermediaries such as the one-stop operator in the local area or through other organizations, to assist such employers in meeting hiring needs.

(e) SUNSHINE PROVISION.—The local board shall make available to the public, on a regular basis through open meetings, information regarding the activities of the local board, including information regarding the local plan prior to submission of the plan, and regarding membership, the designation and certification of one-stop operators, and the award of grants or contracts to eligible providers of youth activities, and on request, minutes of formal meetings of the local board.

(f) LIMITATIONS.—

(1) TRAINING SERVICES.—

(A) IN GENERAL.—Except as provided in subparagraph (B), no local board may provide training services described in section 134(d)(4).

(B) WAIVERS OF TRAINING PROHIBITION.—The Governor of the State in which a local board is located may, pursuant to a request from the local board, grant a written waiver of the prohibition set forth in subparagraph (A) (relating to the provision of training services) for a program of training services, if the local board—

(i) submits to the Governor a proposed request for the waiver that includes—

(I) satisfactory evidence that there is an insufficient number of eligible providers of such a program of training services to meet local demand in the local area;

(II) information demonstrating that the board meets the requirements for an eligible provider of training services under section 122; and

(III) information demonstrating that the program of training services prepares participants for an occupation that is in demand in the local area;

(ii) makes the proposed request available to eligible providers of training services and other interested members of the public for a public comment period of not less than 30 days; and

(iii) includes, in the final request for the waiver, the evidence and information described in clause (i) and the comments received pursuant to clause (ii).

(C) DURATION.—A waiver granted to a local board under subparagraph (B) shall apply for a period of not to exceed 1 year. The waiver may be renewed for additional periods of not to exceed 1 year, pursuant to requests from the local board, if the board meets the requirements of subparagraph (B) in making the requests.

(D) REVOCATION.—The Governor may revoke a waiver granted under this paragraph during the appropriate period described in subparagraph (C) if the State determines that the local board involved has engaged in a pattern of inappropriate referrals to training services operated by the local board.

(2) CORE SERVICES; INTENSIVE SERVICES; DESIGNATION OR CERTIFICATION AS ONE-STOP OPERATORS.—A local board may provide core services described in section 134(d)(2) or intensive services described in section 134(d)(3) through a one-stop delivery system described in section 134(c) or be designated or certified as a one-stop operator only with the agreement of the chief elected official and the Governor.

(3) LIMITATION ON AUTHORITY.—Nothing in this Act shall be construed to provide a local board with the authority to mandate curricula for schools.

(g) CONFLICT OF INTEREST.—A member of a local board may not—

(1) vote on a matter under consideration by the local board—

(A) regarding the provision of services by such member (or by an entity that such member represents); or

(B) that would provide direct financial benefit to such member or the immediate family of such member; or

(2) engage in any other activity determined by the Governor to constitute a conflict of interest as specified in the State plan.

(h) YOUTH COUNCIL.—

(1) ESTABLISHMENT.—There shall be established, as a subgroup within each local board, a youth council appointed by the local board, in cooperation with the chief elected official for the local area.

(2) MEMBERSHIP.—The membership of each youth council—

(A) shall include—

(i) members of the local board described in subparagraph (A) or (B) of subsection (b)(2) with special interest or expertise in youth policy;

(ii) representatives of youth service agencies, including juvenile justice and local law enforcement agencies;

(iii) representatives of local public housing authorities;

(iv) parents of eligible youth seeking assistance under this subtitle;

(v) individuals, including former participants, and representatives of organizations, that have experience relating to youth activities; and

(vi) representatives of the Job Corps, as appropriate; and

(B) may include such other individuals as the chairperson of the local board, in cooperation with the chief elected official, determines to be appropriate.

(3) RELATIONSHIP TO LOCAL BOARD.—Members of the youth council who are not members of the local board described in subparagraphs (A) and (B) of subsection (b)(2) shall be voting members of the youth council and nonvoting members of the board.

(4) DUTIES.—The duties of the youth council include—

(A) developing the portions of the local plan relating to eligible youth, as determined by the chairperson of the local board;

(B) subject to the approval of the local board and consistent with section 123—

(i) recommending eligible providers of youth activities, to be awarded grants or contracts on a competitive basis by the local board to carry out the youth activities; and

(ii) conducting oversight with respect to the eligible providers of youth activities, in the local area;

(C) coordinating youth activities authorized under section 129 in the local area; and

(D) other duties determined to be appropriate by the chairperson of the local board.

(i) ALTERNATIVE ENTITY.—

(1) IN GENERAL.—For purposes of complying with subsections (a), (b), and (c), and paragraphs (1) and (2) of subsection (h), a State may use any local entity (including a local council, regional workforce development board, or similar entity) that—

(A) is established to serve the local area (or the service delivery area that most closely corresponds to the local area);

(B) is in existence on December 31, 1997;

(C)(i) is established pursuant to section 102 of the Job Training Partnership Act, as in effect on December 31, 1997; or

(ii) is substantially similar to the local board described in subsections (a), (b), and (c), and paragraphs (1) and (2) of subsection (h);

(D) includes—

(i) representatives of business in the local area; and

(ii)(I) representatives of labor organizations (for a local area in which employees are represented by labor organizations), nominated by local labor federations; or

(II) (for a local area in which no employees are represented by such organizations), other representatives of employees in the local area.

(2) REFERENCES.—References in this Act to a local board or a youth council shall be considered to include such an entity or a subgroup of such an entity, respectively.

SEC. 118. LOCAL PLAN.

(a) IN GENERAL.—Each local board shall develop and submit to the Governor a comprehensive 5-year local plan (referred to in this title as the ''local plan''), in partnership with the appropriate chief elected official. The plan shall be consistent with the State plan.

(b) CONTENTS.—The local plan shall include—

(1) an identification of—

(A) the workforce investment needs of businesses, jobseekers, and workers in the local area;

(B) the current and projected employment opportunities in the local area; and

(C) the job skills necessary to obtain such employment opportunities;

(2) a description of the one-stop delivery system to be established or designated in the local area, including—

(A) a description of how the local board will ensure the continuous improvement of eligible providers of services through the system and ensure that such providers meet the employment needs of local employers and participants; and

(B) a copy of each memorandum of understanding described in section 121(c) (between the local board and each of the one-stop partners) concerning the operation of the one-stop delivery system in the local area;

(3) a description of the local levels of performance negotiated with the Governor and chief elected official pursuant to section 136(c), to be used to measure the performance of the local area and to be used by the local board for measuring the performance of the local fiscal agent (where appropriate), eligible providers, and the one-stop delivery system, in the local area;

(4) a description and assessment of the type and availability of adult and dislocated worker employment and training activities in the local area;

(5) a description of how the local board will coordinate workforce investment activities carried out in the local area with statewide rapid response activities, as appropriate;

(6) a description and assessment of the type and availability of youth activities in the local area, including an identification of successful providers of such activities;

(7) a description of the process used by the local board, consistent with subsection (c), to provide an opportunity for public comment, including comment by representatives of businesses and comment by representatives of labor organizations, and input into the development of the local plan, prior to submission of the plan;

(8) an identification of the entity responsible for the disbursal of grant funds described in section 117(d)(3)(B)(i)(III), as determined by the chief elected official or the Governor under section 117(d)(3)(B)(i);

(9) a description of the competitive process to be used to award the grants and contracts in the local area for activities carried out under this subtitle; and

(10) such other information as the Governor may require.

(c) PROCESS.—Prior to the date on which the local board submits a local plan under this section, the local board shall—

(1) make available copies of a proposed local plan to the public through such means as public hearings and local news media;

(2) allow members of the local board and members of the public, including representatives of business and representatives of labor organizations, to submit comments on the proposed local plan to the local board, not later than the end of the 30-day period beginning on the date on which the proposed local plan is made available; and

(3) include with the local plan submitted to the Governor under this section any such comments that represent disagreement with the plan.

(d) PLAN SUBMISSION AND APPROVAL.—A local plan submitted to the Governor under this section shall be considered to be approved by the Governor at the end of the 90-day period beginning on the day the Governor receives the plan, unless the Governor makes a written determination during the 90-day period that—

(1) deficiencies in activities carried out under this subtitle have been identified, through audits conducted under section 184 or otherwise, and the local area has not made acceptable progress in implementing corrective measures to address the deficiencies; or

(2) the plan does not comply with this title.

CHAPTER 3—WORKFORCE INVESTMENT ACTIVITIES PROVIDERS

SEC. 121. ESTABLISHMENT OF ONE-STOP DELIVERY SYSTEMS.

(a) IN GENERAL.—Consistent with the State plan, the local board for a local area, with the agreement of the chief elected official for the local area, shall—

(1) develop and enter into the memorandum of understanding described in subsection (c) with one-stop partners;

(2) designate or certify one-stop operators under subsection (d); and

(3) conduct oversight with respect to the one-stop delivery system in the local area.

(b) ONE-STOP PARTNERS.—

(1) REQUIRED PARTNERS.—

(A) IN GENERAL.—Each entity that carries out a program or activities described in subparagraph (B) shall—

(i) make available to participants, through a one-stop delivery system, the services described in section 134(d)(2) that are applicable to such program or activities; and

(ii) participate in the operation of such system consistent with the terms of the memorandum described in subsection (c), and with the requirements of the Federal law in which the program or activities are authorized.

(B) PROGRAMS AND ACTIVITIES.—The programs and activities referred to in subparagraph (A) consist of—

(i) programs authorized under this title;

(ii) programs authorized under the Wagner-Peyser Act (29 U.S.C. 49 et seq.);

(iii) adult education and literacy activities authorized under title II;

(iv) programs authorized under title I of the Rehabilitation Act of 1973 (29 U.S.C. 720 et seq.);

(v) programs authorized under section 403(a)(5) of the Social Security Act (42 U.S.C. 603(a)(5)) (as added by section 5001 of the Balanced Budget Act of 1997);

(vi) activities authorized under title V of the Older Americans Act of 1965 (42 U.S.C. 3056 et seq.);

(vii) postsecondary vocational education activities authorized under the Carl D. Perkins Vocational and Applied Technology Education Act (20 U.S.C. 2301 et seq.);

(viii) activities authorized under chapter 2 of title II of the Trade Act of 1974 (19 U.S.C. 2271 et seq.);

(ix) activities authorized under chapter 41 of title 38, United States Code;

(x) employment and training activities carried out under the Community Services Block Grant Act (42 U.S.C. 9901 et seq.);

(xi) employment and training activities carried out by the Department of Housing and Urban Development; and

(xii) programs authorized under State unemployment compensation laws (in accordance with applicable Federal law).

(2) ADDITIONAL PARTNERS.—

(A) IN GENERAL.—In addition to the entities described in paragraph (1), other entities that carry out a human resource program described in subparagraph (B) may—

(i) make available to participants, through the one-stop delivery system, the services described in section 134(d)(2) that are applicable to such program; and

(ii) participate in the operation of such system consistent with the terms of the memorandum described in subsection (c), and with the requirements of the Federal law in which the program is authorized;

if the local board and chief elected official involved approve such participation.

(B) PROGRAMS.—The programs referred to in subparagraph (A) may include—

(i) programs authorized under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.);

(ii) programs authorized under section 6(d)(4) of the Food Stamp Act of 1977 (7 U.S.C. 2015(d)(4));

(iii) work programs authorized under section 6(o) of the Food Stamp Act of 1977 (7 U.S.C. 2015(o));

(iv) programs authorized under the National and Community Service Act of 1990 (42 U.S.C. 12501 et seq.); and

(v) other appropriate Federal, State, or local programs, including programs in the private sector.

(c) MEMORANDUM OF UNDERSTANDING.—

(1) DEVELOPMENT.—The local board, with the agreement of the chief elected official, shall develop and enter into a memorandum of understanding (between the local board and the one-stop partners), consistent with paragraph (2), concerning the operation of the one-stop delivery system in the local area.

(2) CONTENTS.—Each memorandum of understanding shall contain—

(A) provisions describing—

(i) the services to be provided through the one-stop delivery system;

(ii) how the costs of such services and the operating costs of the system will be funded;

(iii) methods for referral of individuals between the one-stop operator and the one-stop partners, for the appropriate services and activities; and

(iv) the duration of the memorandum and the procedures for amending the memorandum during the term of the memorandum; and

(B) such other provisions, consistent with the requirements of this title, as the parties to the agreement determine to be appropriate.

(d) ONE-STOP OPERATORS.—

(1) DESIGNATION AND CERTIFICATION.—Consistent with paragraphs (2) and (3), the local board, with the agreement of the chief elected official, is authorized to designate or certify one-stop operators and to terminate for cause the eligibility of such operators.

(2) ELIGIBILITY.—To be eligible to receive funds made available under this subtitle to operate a one-stop center referred to in section 134(c), an entity (which may be a consortium of entities)—

(A) shall be designated or certified as a one-stop operator—

(i) through a competitive process; or

(ii) in accordance with an agreement reached between the local board and a consortium of entities that, at a minimum, includes 3 or more of the one-stop partners described in subsection (b)(1); and

(B) may be a public or private entity, or consortium of entities, of demonstrated effectiveness, located in the local area, which may include—

(i) a postsecondary educational institution;

(ii) an employment service agency established under the Wagner-Peyser Act (29 U.S.C. 49 et seq.), on behalf of the local office of the agency;

(iii) a private, nonprofit organization (including a community-based organization);

(iv) a private for-profit entity;

(v) a government agency; and

(vi) another interested organization or entity, which may include a local chamber of commerce or other business organization.

(3) EXCEPTION.—Elementary schools and secondary schools shall not be eligible for designation or certification as one-stop operators, except that nontraditional public secondary schools and area vocational education schools shall be eligible for such designation or certification.

(e) ESTABLISHED ONE-STOP DELIVERY SYSTEM.—If a one-stop delivery system has been established in a local area prior to the date of enactment of this Act, the local board, the chief elected official, and the Governor involved may agree to certify an entity carrying out activities through the system as a one-stop operator for purposes of subsection (d), consistent with the requirements of subsection (b), of the memorandum of understanding, and of section 134(c).

SEC. 122. IDENTIFICATION OF ELIGIBLE PROVIDERS OF TRAINING SERVICES.

(a) ELIGIBILITY REQUIREMENTS.—

(1) IN GENERAL.—Except as provided in subsection (h), to be identified as an eligible provider of training services described in section 134(d)(4) (referred to in this section as ''training services'') in a local area and to be eligible to receive funds made available under section 133(b) for the provision of training services, a provider of such services shall meet the requirements of this section.

(2) PROVIDERS.—Subject to the provisions of this section, to be eligible to receive the funds, the provider shall be—

(A) a postsecondary educational institution that—

(i) is eligible to receive Federal funds under title IV of the Higher Education Act of 1965 (20 U.S.C. 1070 et seq.); and

(ii) provides a program that leads to an associate degree, baccalaureate degree, or certificate;

(B) an entity that carries out programs under the Act of August 16, 1937 (commonly known as the ''National Apprenticeship Act''; 50 Stat. 664, chapter 663; 29 U.S.C. 50 et seq.); or

(C) another public or private provider of a program of training services.

(b) INITIAL ELIGIBILITY DETERMINATION.—

(1) POSTSECONDARY EDUCATIONAL INSTITUTIONS AND ENTITIES CARRYING OUT APPRENTICESHIP PROGRAMS.—To be initially eligible to receive funds as described in subsection (a) to carry out a program described in subparagraph (A) or (B) of subsection (a)(2), a provider described in subparagraph (A) or (B), respectively, of subsection (a)(2) shall submit an application, to the local board for the local area in which the provider desires to provide training services, at such time, in such manner, and containing such information as the local board may require.

(2) OTHER ELIGIBLE PROVIDERS.—

(A) PROCEDURE.—Each Governor of a State shall establish a procedure for use by local boards in the State in determining the initial eligibility of a provider described in subsection (a)(2)(C) to receive funds as described in subsection (a) for a program of training services, including the initial eligibility of—

(i) a postsecondary educational institution to receive such funds for a program not described in subsection (a)(2)(A); and

(ii) a provider described in subsection (a)(2)(B) to receive such funds for a program not described in subsection (a)(2)(B).

(B) RECOMMENDATIONS.—In developing such procedure, the Governor shall solicit and take into consideration the recommendations of local boards and providers of training services within the State.

(C) OPPORTUNITY TO SUBMIT COMMENTS.—The Governor shall provide an opportunity, during the development of the procedure, for interested members of the public, including representatives of business and labor organizations, to submit comments on such procedure.

(D) REQUIREMENTS.—In establishing the procedure, the Governor shall require that, to be initially eligible to receive funds as described in subsection (a) for a program, a provider described in subsection (a)(2)(C)—

(i) shall submit an application, to the local board for the local area in which the provider desires to provide training services, at such time and in such manner as may be required, and containing a description of the program;

(ii) if the provider provides training services through a program on the date of application, shall include in the application an appropriate portion of the performance information and program cost information described in subsection (d) for the program, as specified in the procedure, and shall meet appropriate levels of performance for the program, as specified in the procedure; and

(iii) if the provider does not provide training services on such date, shall meet appropriate requirements, as specified in the procedure.

(c) SUBSEQUENT ELIGIBILITY DETERMINATION.—

(1) PROCEDURE.—Each Governor of a State shall establish a procedure for use by local boards in the State in determining the eligibility of a provider described in subsection (a)(2) to continue to receive funds as described in subsection (a) for a program after an initial period of eligibility under subsection (b) (referred to in this section as ''subsequent eligibility'').

(2) RECOMMENDATIONS.—In developing such procedure, the Governor shall solicit and take into consideration the recommendations of local boards and providers of training services within the State.

(3) OPPORTUNITY TO SUBMIT COMMENTS.—The Governor shall provide an opportunity, during the development of the procedure, for interested members of the public, including representatives of business and labor organizations, to submit comments on such procedure.

(4) CONSIDERATIONS.—In developing such procedure, the Governor shall ensure that the procedure requires the local boards to take into consideration, in making the determinations of subsequent eligibility—

(A) the specific economic, geographic, and demographic factors in the local areas in which providers seeking eligibility are located; and

(B) the characteristics of the populations served by providers seeking eligibility, including the demonstrated difficulties in serving such populations, where applicable.

(5) REQUIREMENTS.—In establishing the procedure, the Governor shall require that, to be eligible to continue to receive funds as described in subsection (a) for a program after the initial period of eligibility, a provider described in subsection (a)(2) shall—

(A) submit the performance information and program cost information described in subsection (d)(1) for the program and any additional information required to be submitted in accordance with subsection (d)(2) for the program annually to the appropriate local board at such time and in such manner as may be required; and

(B) annually meet the performance levels described in paragraph (6) for the program, as demonstrated utilizing quarterly records described in section 136, in a manner consistent with section 136.

(6) LEVELS OF PERFORMANCE.—

(A) IN GENERAL.—At a minimum, the procedure described in paragraph (1) shall require the provider to meet minimum acceptable levels of performance based on the performance information referred to in paragraph (5)(A).

(B) HIGHER LEVELS OF PERFORMANCE ELIGIBILITY.—The local board may require higher levels of performance than the levels referred to in subparagraph (A) for subsequent eligibility to receive funds as described in subsection (a).

(d) PERFORMANCE AND COST INFORMATION.—

(1) REQUIRED INFORMATION.—For a provider of training services to be determined to be subsequently eligible under subsection (c) to receive funds as described in subsection (a), such provider shall, under subsection (c), submit—

(A) verifiable program-specific performance information consisting of—

(i) program information, including—

(I) the program completion rates for all individuals participating in the applicable program conducted by the provider;

(II) the percentage of all individuals participating in the applicable program who obtain unsubsidized employment, which may also include information specifying the percentage of the individuals who obtain unsubsidized employment in an occupation related to the program conducted; and

(III) the wages at placement in employment of all individuals participating in the applicable program; and

(ii) training services information for all participants who received assistance under section 134 to participate in the applicable program, including—

(I) the percentage of participants who have completed the applicable program and who are placed in unsubsidized employment;

(II) the retention rates in unsubsidized employment of participants who have completed the applicable program, 6 months after the first day of the employment;

(III) the wages received by participants who have completed the applicable program, 6 months after the first day of the employment involved; and

(IV) where appropriate, the rates of licensure or certification, attainment of academic degrees or equivalents, or attainment of other measures of skills, of the graduates of the applicable program; and

(B) information on program costs (such as tuition and fees) for participants in the applicable program.

(2) ADDITIONAL INFORMATION.—Subject to paragraph (3), in addition to the performance information described in paragraph (1)—

(A) the Governor may require that a provider submit, under subsection (c), such other verifiable program-specific performance information as the Governor determines to be appropriate to obtain such subsequent eligibility, which may include information relating to—

(i) retention rates in employment and the subsequent wages of all individuals who complete the applicable program;

(ii) where appropriate, the rates of licensure or certification of all individuals who complete the program; and

(iii) the percentage of individuals who complete the program who attain industry-recognized occupational skills in the subject, occupation, or industry for which training is provided through the program, where applicable; and

(B) the Governor, or the local board, may require a provider to submit, under subsection (c), other verifiable program-specific performance information to obtain such subsequent eligibility.

(3) CONDITIONS.—

(A) IN GENERAL.—If the Governor or a local board requests additional information under paragraph (2) that imposes extraordinary costs on providers, or if providers experience extraordinary costs in the collection of information required under paragraph (1)(A)(ii)), the Governor or the local board shall provide access to cost-effective methods for the collection of the information involved, or the Governor shall provide additional resources to assist providers in the collection of such information from funds made available as described in sections 128(a) and 133(a)(1), as appropriate.

(B) HIGHER EDUCATION ELIGIBILITY REQUIREMENTS.—The local board and the designated State agency described in subsection (i) may accept program-specific performance information consistent with the requirements for eligibility under title IV of the Higher Education Act of 1965 (20 U.S.C. 1070 et seq.) from a provider for purposes of enabling the provider to fulfill the applicable requirements of this subsection, if such information is substantially similar to the information otherwise required under this subsection.

(e) LOCAL IDENTIFICATION.—

(1) IN GENERAL.—The local board shall place on a list providers submitting an application under subsection (b)(1) and providers determined to be initially eligible under subsection (b)(2), and retain on the list providers determined to be subsequently eligible under subsection (c), to receive funds as described in subsection (a) for the provision of training services in the local area served by the local board. The list of providers shall be accompanied by any performance information and program cost information submitted under subsection (b) or (c) by the provider.

(2) SUBMISSION TO STATE AGENCY.—On placing or retaining a provider on the list, the local board shall submit, to the designated State agency described in subsection (i), the list and the performance information and program cost information referred to in paragraph (1). If the agency determines, within 30 days after the date of the submission, that the provider does not meet the performance levels described in subsection (c)(6) for the program (where applicable), the agency may remove the provider from the list for the program. The agency may not remove from the list an agency submitting an application under subsection (b)(1).

(3) IDENTIFICATION OF ELIGIBLE PROVIDERS.—A provider who is placed or retained on the list under paragraph (1), and is not removed by the designated State agency under paragraph (2), for a program, shall be considered to be identified as an eligible provider of training services for the program.

(4) AVAILABILITY.—

(A) STATE LIST.—The designated State agency shall compile a single list of the providers identified under paragraph (3) from all local areas in the State and disseminate such list, and the performance information and program cost information described in paragraph (1), to the one-stop delivery systems within the State. Such list and information shall be made widely available to participants in employment and training activities authorized under section 134 and others through the one-stop delivery system.

(B) SELECTION FROM STATE LIST.—Individuals eligible to receive training services under section 134(d)(4) shall have the opportunity to select any of the eligible providers, from any of the local areas in the State, that are included on the list described in subparagraph (A) to provide the services, consistent with the requirements of section 134.

(5) ACCEPTANCE OF INDIVIDUAL TRAINING ACCOUNTS BY OTHER STATES.—States may enter into agreements, on a reciprocal basis, to permit eligible providers of training services in a State to accept individual training accounts provided in another State.

(f) ENFORCEMENT.—

(1) ACCURACY OF INFORMATION.—If the designated State agency, after consultation with the local board involved, determines that an eligible provider or individual supplying information on behalf of the provider intentionally supplies inaccurate information under this section, the agency shall terminate the eligibility of the provider to receive funds described in subsection (a) for any program for a period of time, but not less than 2 years.

(2) NONCOMPLIANCE.—If the designated State agency, or the local board working with the State agency, determines that an eligible provider described in subsection (a) substantially violates any requirement under this Act, the agency, or the local board working with the State agency, may terminate the eligibility of such provider to receive funds described in subsection (a) for the program involved or take such other action as the agency or local board determines to be appropriate.

(3) REPAYMENT.—A provider whose eligibility is terminated under paragraph (1) or (2) for a program shall be liable for repayment of all funds described in subsection (a) received for the program during any period of noncompliance described in such paragraph.

(4) CONSTRUCTION.—This subsection and subsection (g) shall be construed to provide remedies and penalties that supplement, but do not supplant, other civil and criminal remedies and penalties.

(g) APPEAL.—The Governor shall establish procedures for providers of training services to appeal a denial of eligibility by the local board or the designated State agency under subsection (b), (c), or (e), a termination of eligibility or other action by the board or agency under subsection (f), or a denial of eligibility by a one-stop operator under subsection (h). Such procedures shall provide an opportunity for a hearing and prescribe appropriate time limits to ensure prompt resolution of the appeal.

(h) ON-THE-JOB TRAINING OR CUSTOMIZED TRAINING EXCEPTION.—

(1) IN GENERAL.—Providers of on-the-job training or customized training shall not be subject to the requirements of subsections (a) through (e).

(2) COLLECTION AND DISSEMINATION OF INFORMATION.—A one-stop operator in a local area shall collect such performance information from on-the-job training and customized training providers as the Governor may require, determine whether the providers meet such performance criteria as the Governor may require, and disseminate information identifying providers that meet the criteria as eligible providers, and the performance information, through the one-stop delivery system. Providers determined to meet the criteria shall be considered to be identified as eligible providers of training services.

(i) ADMINISTRATION.—The Governor shall designate a State agency to make the determinations described in subsection (e)(2), take the enforcement actions described in subsection (f), and carry out other duties described in this section.

SEC. 123. IDENTIFICATION OF ELIGIBLE PROVIDERS OF YOUTH ACTIVITIES.

From funds allocated under paragraph (2)(A) or (3) of section 128(b) to a local area, the local board for such area shall identify eligible providers of youth activities by awarding grants or contracts on a competitive basis, based on the recommendations of the youth council and on the criteria contained in the State plan, to the providers to carry out the activities, and shall conduct oversight with respect to the providers, in the local area.

CHAPTER 4—YOUTH ACTIVITIES

SEC. 126. GENERAL AUTHORIZATION.

The Secretary shall make an allotment under section 127(b)(1)(C) to each State that meets the requirements of section 112 and a grant to each outlying area that complies with the requirements of this title, to assist the State or outlying area, and to enable the State or outlying area to assist local areas, for the purpose of providing workforce investment activities for eligible youth in the State or outlying area and in the local areas.

SEC. 127. STATE ALLOTMENTS.

(a) IN GENERAL.—The Secretary shall—

(1) for each fiscal year in which the amount appropriated under section 137(a) exceeds $1,000,000,000, reserve a portion determined under subsection (b)(1)(A) of the amount appropriated under section 137(a) for use under sections 167 (relating to migrant and seasonal farmworker programs) and 169 (relating to youth opportunity grants); and

(2) use the remainder of the amount appropriated under section 137(a) for a fiscal year to make allotments and grants in accordance with subparagraphs (B) and (C) of subsection (b)(1) and make funds available for use under section 166 (relating to Native American programs).

(b) ALLOTMENT AMONG STATES.—

(1) YOUTH ACTIVITIES.—

(A) YOUTH OPPORTUNITY GRANTS.—

(i) IN GENERAL.—For each fiscal year in which the amount appropriated under section 137(a) exceeds $1,000,000,000, the Secretary shall reserve a portion of the amount to provide youth opportunity grants and other activities under section 169 (relating to youth opportunity

grants) and provide youth activities under section 167 (relating to migrant and seasonal farmworker programs).

(ii) PORTION.—The portion referred to in clause (i) shall equal, for a fiscal year—

(I) except as provided in subclause (II), the difference obtained by subtracting $1,000,000,000 from the amount appropriated under section 137(a) for the fiscal year; or

(II) for any fiscal year in which the amount is $1,250,000,000 or greater, $250,000,000.

(iii) YOUTH ACTIVITIES FOR FARMWORKERS.—From the portion described in clause (i) for a fiscal year, the Secretary shall make available 4 percent of such portion to provide youth activities under section 167.

(iv) ROLE MODEL ACADEMY PROJECT.—From the portion described in clause (i) for fiscal year 1999, the Secretary shall make available such sums as the Secretary determines to be appropriate to carry out section 169(g).

(B) OUTLYING AREAS.—

(i) IN GENERAL.—From the amount made available under subsection (a)(2) for a fiscal year, the Secretary shall reserve not more than ¼ of 1 percent of the amount appropriated under section 137(a) for the fiscal year—

(I) to provide assistance to the outlying areas to carry out youth activities and statewide workforce investment activities; and

(II) for each of fiscal years 1999, 2000, and 2001, to carry out the competition described in clause (ii), except that the funds reserved to carry out such clause for any such fiscal year shall not exceed the amount reserved for the Freely Associated States for fiscal year 1997, from amounts reserved under sections 252(a) and 262(a)(1) of the Job Training Partnership Act (as in effect on the day before the date of enactment of this Act).

(ii) LIMITATION FOR FREELY ASSOCIATED STATES.—

(I) COMPETITIVE GRANTS.—The Secretary shall use funds described in clause (i)(II) to award grants to Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, and the Freely Associated States to carry out youth activities and statewide workforce investment activities.

(II) AWARD BASIS.—The Secretary shall award grants pursuant to subclause (I) on a competitive basis and pursuant to the recommendations of experts in the field of employment and training, working through the Pacific Region Educational Laboratory in Honolulu, Hawaii.

(III) ASSISTANCE REQUIREMENTS.—Any Freely Associated State that desires to receive assistance under this subparagraph shall submit an application to the Secretary and shall include in the application for assistance—

(aa) information demonstrating that the Freely Associated State will meet all conditions that apply to States under this title;

(bb) an assurance that, notwithstanding any other provision of this title, the Freely Associated State will use such assistance only for the direct provision of services; and

(cc) such other information and assurances as the Secretary may require.

(IV) TERMINATION OF ELIGIBILITY.—Notwithstanding any other provision of law, the Freely Associated States shall not receive any assistance under this subparagraph for any program year that begins after September 30, 2001.

(V) ADMINISTRATIVE COSTS.—The Secretary may provide not more than 5 percent of the funds made available for grants under subclause (I) to pay the administrative costs of the Pacific Region Educational Laboratory in Honolulu, Hawaii, regarding activities assisted under this clause.

(iii) ADDITIONAL REQUIREMENT.—The provisions of Public Law 95–134, permitting the consolidation of grants by the outlying areas, shall not apply to assistance provided to those areas, including the Freely Associated States, under this subparagraph.

(C) STATES.—

(i) IN GENERAL.—After determining the amounts to be reserved under subparagraph (A) (if any) and subparagraph (B), the Secretary shall—

(I) from the amount referred to in subsection (a)(2) for a fiscal year, make available not more than 1.5 percent to provide youth activities under section 166 (relating to Native Americans); and

(II) allot the remainder of the amount referred to in subsection (a)(2) for a fiscal year to the States pursuant to clause (ii) for youth activities and statewide workforce investment activities.

(ii) FORMULA.—Subject to clauses (iii) and (iv), of the remainder—

(I) 33⅓ percent shall be allotted on the basis of the relative number of unemployed individuals in areas of substantial unemployment in each State, compared to the total number of unemployed individuals in areas of substantial unemployment in all States;

(II) 33⅓ percent shall be allotted on the basis of the relative excess number of unemployed individuals in each State, compared to the total excess number of unemployed individuals in all States; and

(III) 33⅓ percent shall be allotted on the basis of the relative number of disadvantaged youth in each State, compared to the total number of disadvantaged youth in all States, except as described in clause (iii).

(iii) CALCULATION.—In determining an allotment under clause (ii)(III) for any State in which there is a local area designated under section 116(a)(2)(B) (relating to the area served by a rural concentrated employment program grant recipient), the allotment shall be based on the higher of—

(I) the number of individuals who are age 16 through 21 in families with an income below the low-income level in such area; or

(II) the number of disadvantaged youth in such area.

(iv) MINIMUM AND MAXIMUM PERCENTAGES AND MINIMUM ALLOTMENTS.—In making allotments under this subparagraph, the Secretary shall ensure the following:

(I) MINIMUM PERCENTAGE AND ALLOTMENT.—Subject to subclause (IV), the Secretary shall ensure that no State shall receive an allotment for a fiscal year that is less than the greater of—

(aa) an amount based on 90 percent of the allotment percentage of the State for the preceding fiscal year; or

(bb) 100 percent of the total of the allotments of the State under sections 252 and 262 of the Job Training Partnership Act (as in effect on the day before the date of enactment of this Act) for fiscal year 1998.

(II) SMALL STATE MINIMUM ALLOTMENT.—Subject to subclauses (I), (III), and (IV), the Secretary shall ensure that no State shall receive an allotment under this subparagraph that is less than the total of—

(aa) 3/10 of 1 percent of $1,000,000,000 of the remainder described in clause (i)(II) for the fiscal year; and

(bb) if the remainder described in clause (i)(II) for the fiscal year exceeds $1,000,000,000, ⅖ of 1 percent of the excess.

(III) MAXIMUM PERCENTAGE.—Subject to subclause (I), the Secretary shall ensure that no State shall receive an allotment percentage for a fiscal year that is more than 130 percent of the allotment percentage of the State for the preceding fiscal year.

(IV) MINIMUM FUNDING.—In any fiscal year in which the remainder described in clause (i)(II) does not exceed $1,000,000,000, the minimum allotments under subclauses (I) and (II) shall be calculated by the methodology for calculating the corresponding allotments under parts B and C of title II of the Job Training Partnership Act, as in effect on July 1, 1998.

(2) DEFINITIONS.—For the purpose of the formula specified in paragraph (1)(C):

(A) ALLOTMENT PERCENTAGE.—The term ''allotment percentage'', used with respect to fiscal year 2000 or a subsequent fiscal year, means a percentage of the remainder described in paragraph (1)(C)(i)(II) that is received through an allotment made under paragraph (1)(C) for the fiscal year. The term, used with respect to fiscal year 1998 or 1999, means the percentage of the amounts allotted to States under sections 252(b) and 262(a) of the Job Training Partnership Act (as in effect on the day before the date of enactment of this Act) that is received under such sections by the State involved for fiscal year 1998 or 1999.

(B) AREA OF SUBSTANTIAL UNEMPLOYMENT.—The term ''area of substantial unemployment'' means any area that is of sufficient size and scope to sustain a program of workforce investment activities carried out under this subtitle and that has an average rate of unemployment of at least 6.5 percent for the most recent 12 months, as determined by the Secretary. For purposes of this subparagraph, determinations of areas of substantial unemployment shall be made once each fiscal year.

(C) DISADVANTAGED YOUTH.—Subject to paragraph (3), the term ''disadvantaged youth'' means an individual who is age 16 through 21 who received an income, or is a member of a family that received a total family income, that, in relation to family size, does not exceed the higher of—

(i) the poverty line; or

(ii) 70 percent of the lower living standard income level.

(D) EXCESS NUMBER.—The term ''excess number'' means, used with respect to the excess number of unemployed individuals within a State, the higher of—

(i) the number that represents the number of unemployed individuals in excess of 4.5 percent of the civilian labor force in the State; or

(ii) the number that represents the number of unemployed individuals in excess of 4.5 percent of the civilian labor force in areas of substantial unemployment in such State.

(E) LOW-INCOME LEVEL.—The term ''low-income level'' means $7,000 with respect to income in 1969, and for any later year means that amount that bears the same relationship to $7,000 as the Consumer Price Index for that year bears to the Consumer Price Index for 1969, rounded to the nearest $1,000.

(3) SPECIAL RULE.—For the purpose of the formula specified in paragraph (1)(C), the Secretary shall, as appropriate and to the extent practicable, exclude college students and members of the Armed Forces from the determination of the number of disadvantaged youth.

(4) DEFINITION.—In this subsection, the term ''Freely Associated State'' means the Republic of the Marshall Islands, the Federated States of Micronesia, and the Republic of Palau.

(c) REALLOTMENT.—

(1) IN GENERAL.—The Secretary shall, in accordance with this subsection, reallot to eligible States amounts that are allotted under this section for youth activities and statewide workforce investment activities and that are available for reallotment.

(2) AMOUNT.—The amount available for reallotment for a program year is equal to the amount by which the unobligated balance of the State allotment under this section for such activities, at the end of the program year prior to the program year for which the determination under this paragraph is made, exceeds 20 percent of such allotment for the prior program year.

(3) REALLOTMENT.—In making reallotments to eligible States of amounts available pursuant to paragraph (2) for a program year, the Secretary shall allot to each eligible State an amount based on the relative amount allotted to such State under this section for such activities for the prior program year, as compared to the total amount allotted to all eligible States under this section for such activities for such prior program year.

(4) ELIGIBILITY.—For purposes of this subsection, an eligible State means a State that has

obligated at least 80 percent of the State allotment under this section for such activities for the program year prior to the program year for which the determination under paragraph (2) is made.

(5) PROCEDURES.—The Governor of each State shall prescribe uniform procedures for the obligation of funds by local areas within the State in order to avoid the requirement that funds be made available for reallotment under this subsection. The Governor shall further prescribe equitable procedures for making funds available from the State and local areas in the event that a State is required to make funds available for reallotment under this subsection.

SEC. 128. WITHIN STATE ALLOCATIONS.

(a) RESERVATIONS FOR STATE ACTIVITIES.—

(1) IN GENERAL.—The Governor of a State shall reserve not more than 15 percent of each of the amounts allotted to the State under section 127(b)(1)(C) and paragraphs (1)(B) and (2)(B) of section 132(b) for a fiscal year for statewide workforce investment activities.

(2) USE OF FUNDS.—Regardless of whether the reserved amounts were allotted under section 127(b)(1)(C), or under paragraph (1)(B) or (2)(B) of section 132(b), the Governor may use the reserved amounts to carry out statewide youth activities described in section 129(b) or statewide employment and training activities, for adults or for dislocated workers, described in paragraph (2)(B) or (3) of section 134(a).

(b) WITHIN STATE ALLOCATION.—

(1) METHODS.—The Governor, acting in accordance with the State plan, and after consulting with chief elected officials in the local areas, shall allocate the funds that are allotted to the State for youth activities and statewide workforce investment activities under section 127(b)(1)(C) and are not reserved under subsection (a), in accordance with paragraph (2) or (3).

(2) FORMULA ALLOCATION.—

(A) YOUTH ACTIVITIES.—

(i) ALLOCATION.—In allocating the funds described in paragraph (1) to local areas, a State may allocate—

(I) 33⅓ percent of the funds on the basis described in section 127(b)(1)(C)(ii)(I);

(II) 33⅓ percent of the funds on the basis described in section 127(b)(1)(C)(ii)(II); and

(III) 33⅓ percent of the funds on the basis described in clauses (ii)(III) and (iii) of section 127(b)(1)(C).

(ii) MINIMUM PERCENTAGE.—Effective at the end of the second full fiscal year after the date on which a local area is designated under section 116, the local area shall not receive an allocation percentage for a fiscal year that is less than 90 percent of the average allocation percentage of the local area for the 2 preceding fiscal years. Amounts necessary for increasing such allocations to local areas to comply with the preceding sentence shall be obtained by ratably reducing the allocations to be made to other local areas under this subparagraph.

(iii) DEFINITION.—The term ''allocation percentage'', used with respect to fiscal year 2000 or a subsequent fiscal year, means a percentage of the funds referred to in clause (i), received through an allocation made under this subparagraph, for the fiscal year.

(B) APPLICATION.—For purposes of carrying out subparagraph (A)—

(i) references in section 127(b) to a State shall be deemed to be references to a local area;

(ii) references in section 127(b) to all States shall be deemed to be references to all local areas in the State involved; and

(iii) except as described in clause (i), references in section 127(b)(1) to the term ''excess number'' shall be considered to be references to the term as defined in section 127(b)(2).

(3) YOUTH DISCRETIONARY ALLOCATION.—In lieu of making the allocation described in paragraph (2)(A), in allocating the funds described in paragraph (1) to local areas, a State may distribute—

(A) a portion equal to not less than 70 percent of the funds in accordance with paragraph (2)(A); and

(B) the remaining portion of the funds on the basis of a formula that—

(i) incorporates additional factors (other than the factors described in paragraph (2)(A)) relating to—

(I) excess youth poverty in urban, rural, and suburban local areas; and

(II) excess unemployment above the State average in urban, rural, and suburban local areas; and

(ii) was developed by the State board and approved by the Secretary as part of the State plan.

(4) LIMITATION.—

(A) IN GENERAL.—Of the amount allocated to a local area under this subsection and section 133(b) for a fiscal year, not more than 10 percent of the amount may be used by the local board for the administrative cost of carrying out local workforce investment activities described in subsection (d) or (e) of section 134 or in section 129(c).

(B) USE OF FUNDS.—Funds made available for administrative costs under subparagraph (A) may be used for the administrative cost of any of the local workforce investment activities described in subsection (d) or (e) of section 134 or in section 129(c), regardless of whether the funds were allocated under this subsection or section 133(b).

(C) REGULATIONS.—The Secretary, after consulting with the Governors, shall develop and issue regulations that define the term ''administrative cost'' for purposes of this title. Such definition shall be consistent with generally accepted accounting principles.

(c) REALLOCATION AMONG LOCAL AREAS.—

(1) IN GENERAL.—The Governor may, in accordance with this subsection, reallocate to eligible local areas within the State amounts that are allocated under paragraph (2)(A) or (3) of subsection (b) for youth activities and that are available for reallocation.

(2) AMOUNT.—The amount available for reallocation for a program year is equal to the amount by which the unobligated balance of the local area allocation under paragraph (2)(A) or (3) of subsection (b) for such activities, at the end of the program year prior to the program year for which the determination under this paragraph is made exceeds 20 percent of such allocation for the prior program year.

(3) REALLOCATION.—In making reallocations to eligible local areas of amounts available pursuant to paragraph (2) for a program year, the Governor shall allocate to each eligible local area within the State an amount based on the relative amount allocated to such local area under subsection (b)(3) for such activities for the prior program year, as compared to the total amount allocated to all eligible local areas in the State under subsection (b)(3) for such activities for such prior program year. For purposes of this paragraph, local areas that received allocations under subsection (b)(2)(A) for the prior program year shall be treated as if the local areas received allocations under subsection (b)(3) for such year.

(4) ELIGIBILITY.—For purposes of this subsection, an eligible local area means a local area that has obligated at least 80 percent of the local area allocation under paragraph (2)(A) or (3) of subsection (b) for such activities, for the program year prior to the program year for which the determination under paragraph (2) is made.

SEC. 129. USE OF FUNDS FOR YOUTH ACTIVITIES.

(a) PURPOSES.—The purposes of this section are—

(1) to provide, to eligible youth seeking assistance in achieving academic and employment success, effective and comprehensive activities, which shall include a variety of options for improving educational and skill competencies and provide effective connections to employers;

(2) to ensure on-going mentoring opportunities for eligible youth with adults committed to providing such opportunities;

(3) to provide opportunities for training to eligible youth;

(4) to provide continued supportive services for eligible youth;

(5) to provide incentives for recognition and achievement to eligible youth; and

(6) to provide opportunities for eligible youth in activities related to leadership, development, decisionmaking, citizenship, and community service.

(b) STATEWIDE YOUTH ACTIVITIES.—

(1) IN GENERAL.—Funds reserved by a Governor for a State as described in sections 128(a) and 133(a)(1)—

(A) shall be used to carry out the statewide youth activities described in paragraph (2); and

(B) may be used to carry out any of the statewide youth activities described in paragraph (3), regardless of whether the funds were allotted to the State under section 127(b)(1) or under paragraph (1) or (2) of section 132(b).

(2) REQUIRED STATEWIDE YOUTH ACTIVITIES.—A State shall use funds reserved as described in sections 128(a) and 133(a)(1) (regardless of whether the funds were allotted to the State under section 127(b)(1) or paragraph (1) or (2) of section 132(b)) to carry out statewide youth activities, which shall include—

(A) disseminating a list of eligible providers of youth activities described in section 123;

(B) carrying out activities described in clauses (ii) through (vi) of section 134(a)(2)(B), except that references in such clauses to activities authorized under section 134 shall be considered to be references to activities authorized under this section; and

(C) providing additional assistance to local areas that have high concentrations of eligible youth to carry out the activities described in subsection (c).

(3) ALLOWABLE STATEWIDE YOUTH ACTIVITIES.—A State may use funds reserved as described in sections 128(a) and 133(a)(1) (regardless of whether the funds were allotted to the State under section 127(b)(1) or paragraph (1) or (2) of section 132(b)) to carry out additional statewide youth activities, which may include—

(A) carrying out activities described in clauses (i), (ii), (iii), (iv)(II), and (vi)(II) of section 134(a)(3)(A), except that references in such clauses to activities authorized under section 134 shall be considered to be references to activities authorized under this section; and

(B) carrying out, on a statewide basis, activities described in subsection (c).

(4) PROHIBITION.—No funds described in this subsection or section 134(a) shall be used to develop or implement education curricula for school systems in the State.

(c) LOCAL ELEMENTS AND REQUIREMENTS.—

(1) PROGRAM DESIGN.—Funds allocated to a local area for eligible youth under paragraph (2)(A) or (3), as appropriate, of section 128(b) shall be used to carry out, for eligible youth, programs that—

(A) provide an objective assessment of the academic levels, skill levels, and service needs of each participant, which assessment shall include a review of basic skills, occupational skills, prior work experience, employability, interests, aptitudes (including interests and aptitudes for nontraditional jobs), supportive service needs, and developmental needs of such participant, except that a new assessment of a participant is not required if the provider carrying out such a program determines it is appropriate to use a recent assessment of the participant conducted pursuant to another education or training program;

(B) develop service strategies for each participant that shall identify an employment goal (including, in appropriate circumstances, nontraditional employment), appropriate achievement objectives, and appropriate services for the participant taking into account the assessment conducted pursuant to subparagraph (A), except

that a new service strategy for a participant is not required if the provider carrying out such a program determines it is appropriate to use a recent service strategy developed for the participant under another education or training program; and

(C) provide—

(i) preparation for postsecondary educational opportunities, in appropriate cases;

(ii) strong linkages between academic and occupational learning;

(iii) preparation for unsubsidized employment opportunities, in appropriate cases; and

(iv) effective connections to intermediaries with strong links to—

(I) the job market; and

(II) local and regional employers.

(2) PROGRAM ELEMENTS.—The programs described in paragraph (1) shall provide elements consisting of—

(A) tutoring, study skills training, and instruction, leading to completion of secondary school, including dropout prevention strategies;

(B) alternative secondary school services, as appropriate;

(C) summer employment opportunities that are directly linked to academic and occupational learning;

(D) as appropriate, paid and unpaid work experiences, including internships and job shadowing;

(E) occupational skill training, as appropriate;

(F) leadership development opportunities, which may include community service and peer-centered activities encouraging responsibility and other positive social behaviors during non-school hours, as appropriate;

(G) supportive services;

(H) adult mentoring for the period of participation and a subsequent period, for a total of not less than 12 months;

(I) followup services for not less than 12 months after the completion of participation, as appropriate; and

(J) comprehensive guidance and counseling, which may include drug and alcohol abuse counseling and referral, as appropriate.

(3) ADDITIONAL REQUIREMENTS.—

(A) INFORMATION AND REFERRALS.—Each local board shall ensure that each participant or applicant who meets the minimum income criteria to be considered an eligible youth shall be provided—

(i) information on the full array of applicable or appropriate services that are available through the local board or other eligible providers or one-stop partners, including those receiving funds under this subtitle; and

(ii) referral to appropriate training and educational programs that have the capacity to serve the participant or applicant either on a sequential or concurrent basis.

(B) APPLICANTS NOT MEETING ENROLLMENT REQUIREMENTS.—Each eligible provider of a program of youth activities shall ensure that an eligible applicant who does not meet the enrollment requirements of the particular program or who cannot be served shall be referred for further assessment, as necessary, and referred to appropriate programs in accordance with subparagraph (A) to meet the basic skills and training needs of the applicant.

(C) INVOLVEMENT IN DESIGN AND IMPLEMENTATION.—The local board shall ensure that parents, participants, and other members of the community with experience relating to programs for youth are involved in the design and implementation of the programs described in paragraph (1).

(4) PRIORITY.—

(A) IN GENERAL.—At a minimum, 30 percent of the funds described in paragraph (1) shall be used to provide youth activities to out-of-school youth.

(B) EXCEPTION.—A State that receives a minimum allotment under section 127(b)(1) in accordance with section 127(b)(1)(C)(iv)(II) or under section 132(b)(1) in accordance with section 132(b)(1)(B)(iv)(II) may reduce the percentage described in subparagraph (A) for a local area in the State, if—

(i) after an analysis of the eligible youth population in the local area, the State determines that the local area will be unable to meet the percentage described in subparagraph (A) due to a low number of out-of-school youth; and

(ii)(I) the State submits to the Secretary, for the local area, a request including a proposed reduced percentage for purposes of subparagraph (A), and the summary of the eligible youth population analysis; and

(II) the request is approved by the Secretary.

(5) EXCEPTIONS.—Not more than 5 percent of participants assisted under this section in each local area may be individuals who do not meet the minimum income criteria to be considered eligible youth, if such individuals are within 1 or more of the following categories:

(A) Individuals who are school dropouts.

(B) Individuals who are basic skills deficient.

(C) Individuals with educational attainment that is 1 or more grade levels below the grade level appropriate to the age of the individuals.

(D) Individuals who are pregnant or parenting.

(E) Individuals with disabilities, including learning disabilities.

(F) Individuals who are homeless or runaway youth.

(G) Individuals who are offenders.

(H) Other eligible youth who face serious barriers to employment as identified by the local board.

(6) PROHIBITIONS.—

(A) PROHIBITION AGAINST FEDERAL CONTROL OF EDUCATION.—No provision of this Act shall be construed to authorize any department, agency, officer, or employee of the United States to exercise any direction, supervision, or control over the curriculum, program of instruction, administration, or personnel of any educational institution, school, or school system, or over the selection of library resources, textbooks, or other printed or published instructional materials by any educational institution, school, or school system.

(B) NONDUPLICATION.—All of the funds made available under this Act shall be used in accordance with the requirements of this Act. None of the funds made available under this Act may be used to provide funding under the School-to-Work Opportunities Act of 1994 (20 U.S.C. 6101 et seq.) or to carry out, through programs funded under this Act, activities that were funded under the School-to-Work Opportunities Act of 1994, unless the programs funded under this Act serve only those participants eligible to participate in the programs under this Act.

(C) NONINTERFERENCE AND NONREPLACEMENT OF REGULAR ACADEMIC REQUIREMENTS.—No funds described in paragraph (1) shall be used to provide an activity for eligible youth who are not school dropouts if participation in the activity would interfere with or replace the regular academic requirements of the youth.

(7) LINKAGES.—In coordinating the programs authorized under this section, youth councils shall establish linkages with educational agencies responsible for services to participants as appropriate.

(8) VOLUNTEERS.—The local board shall make opportunities available for individuals who have successfully participated in programs carried out under this section to volunteer assistance to participants in the form of mentoring, tutoring, and other activities.

CHAPTER 5—ADULT AND DISLOCATED WORKER EMPLOYMENT AND TRAINING ACTIVITIES

SEC. 131. GENERAL AUTHORIZATION.

The Secretary shall make allotments under paragraphs (1)(B) and (2)(B) of section 132(b) to each State that meets the requirements of section 112 and a grant to each outlying area that complies with the requirements of this title, to assist the State or outlying area, and to enable the State or outlying area to assist local areas, for the purpose of providing workforce investment activities for adults, and dislocated workers, in the State or outlying area and in the local areas.

SEC. 132. STATE ALLOTMENTS.

(a) IN GENERAL.—The Secretary shall—

(1) make allotments and grants from the total amount appropriated under section 137(b) for a fiscal year in accordance with subsection (b)(1); and

(2)(A) reserve 20 percent of the amount appropriated under section 137(c) for a fiscal year for use under subsection (b)(2)(A), and under sections 170(b) (relating to dislocated worker technical assistance), 171(d) (relating to dislocated worker projects), and 173 (relating to national emergency grants); and

(B) make allotments from 80 percent of the amount appropriated under section 137(c) for a fiscal year in accordance with subsection (b)(2)(B).

(b) ALLOTMENT AMONG STATES.—

(1) ADULT EMPLOYMENT AND TRAINING ACTIVITIES.—

(A) RESERVATION FOR OUTLYING AREAS.—

(i) IN GENERAL.—From the amount made available under subsection (a)(1) for a fiscal year, the Secretary shall reserve not more than ¼ of 1 percent to provide assistance to the outlying areas.

(ii) APPLICABILITY OF ADDITIONAL REQUIREMENTS.—From the amount reserved under clause (i), the Secretary shall provide assistance to the outlying areas for adult employment and training activities and statewide workforce investment activities in accordance with the requirements of section 127(b)(1)(B), except that the reference in section 127(b)(1)(B)(i)(II) to sections 252(d) and 262(a)(1) of the Job Training Partnership Act shall be deemed to be a reference to section 202(a)(1) of the Job Training Partnership Act (as in effect on the day before the date of enactment of this Act).

(B) STATES.—

(i) IN GENERAL.—After determining the amount to be reserved under subparagraph (A), the Secretary shall allot the remainder of the amount referred to in subsection (a)(1) for a fiscal year to the States pursuant to clause (ii) for adult employment and training activities and statewide workforce investment activities.

(ii) FORMULA.—Subject to clauses (iii) and (iv), of the remainder—

(I) 33⅓ percent shall be allotted on the basis of the relative number of unemployed individuals in areas of substantial unemployment in each State, compared to the total number of unemployed individuals in areas of substantial unemployment in all States;

(II) 33⅓ percent shall be allotted on the basis of the relative excess number of unemployed individuals in each State, compared to the total excess number of unemployed individuals in all States; and

(III) 33⅓ percent shall be allotted on the basis of the relative number of disadvantaged adults in each State, compared to the total number of disadvantaged adults in all States, except as described in clause (iii).

(iii) CALCULATION.—In determining an allotment under clause (ii)(III) for any State in which there is a local area designated under section 116(a)(2)(B), the allotment shall be based on the higher of—

(I) the number of adults in families with an income below the low-income level in such area; or

(II) the number of disadvantaged adults in such area.

(iv) MINIMUM AND MAXIMUM PERCENTAGES AND MINIMUM ALLOTMENTS.—In making allotments under this subparagraph, the Secretary shall ensure the following:

(I) MINIMUM PERCENTAGE AND ALLOTMENT.—Subject to subclause (IV), the Secretary shall

ensure that no State shall receive an allotment for a fiscal year that is less than the greater of—

(aa) an amount based on 90 percent of the allotment percentage of the State for the preceding fiscal year; or

(bb) 100 percent of the allotment of the State under section 202 of the Job Training Partnership Act (as in effect on the day before the date of enactment of this Act) for fiscal year 1998.

(II) SMALL STATE MINIMUM ALLOTMENT.—Subject to subclauses (I), (III), and (IV), the Secretary shall ensure that no State shall receive an allotment under this subparagraph that is less than the total of—

(aa) 3/10 of 1 percent of $960,000,000 of the remainder described in clause (i) for the fiscal year; and

(bb) if the remainder described in clause (i) for the fiscal year exceeds $960,000,000, 2/5 of 1 percent of the excess.

(III) MAXIMUM PERCENTAGE.—Subject to subclause (I), the Secretary shall ensure that no State shall receive an allotment percentage for a fiscal year that is more than 130 percent of the allotment percentage of the State for the preceding fiscal year.

(IV) MINIMUM FUNDING.—In any fiscal year in which the remainder described in clause (i) does not exceed $960,000,000, the minimum allotments under subclauses (I) and (II) shall be calculated by the methodology for calculating the corresponding allotments under part A of title II of the Job Training Partnership Act, as in effect on July 1, 1998.

(v) DEFINITIONS.—For the purpose of the formula specified in this subparagraph:

(I) ADULT.—The term ''adult'' means an individual who is not less than age 22 and not more than age 72.

(II) ALLOTMENT PERCENTAGE.—The term ''allotment percentage'', used with respect to fiscal year 2000 or a subsequent fiscal year, means a percentage of the remainder described in clause (i) that is received through an allotment made under this subparagraph for the fiscal year. The term, used with respect to fiscal year 1998 or 1999, means the percentage of the amounts allotted to States under section 202(a) of the Job Training Partnership Act (as in effect on the day before the date of enactment of this Act) that is received under such section by the State involved for fiscal year 1998 or 1999.

(III) AREA OF SUBSTANTIAL UNEMPLOYMENT.—The term ''area of substantial unemployment'' means any area that is of sufficient size and scope to sustain a program of workforce investment activities carried out under this subtitle and that has an average rate of unemployment of at least 6.5 percent for the most recent 12 months, as determined by the Secretary. For purposes of this subclause, determinations of areas of substantial unemployment shall be made once each fiscal year.

(IV) DISADVANTAGED ADULT.—Subject to subclause (V), the term ''disadvantaged adult'' means an adult who received an income, or is a member of a family that received a total family income, that, in relation to family size, does not exceed the higher of—

(aa) the poverty line; or

(bb) 70 percent of the lower living standard income level.

(V) DISADVANTAGED ADULT SPECIAL RULE.—The Secretary shall, as appropriate and to the extent practicable, exclude college students and members of the Armed Forces from the determination of the number of disadvantaged adults.

(VI) EXCESS NUMBER.—The term ''excess number'' means, used with respect to the excess number of unemployed individuals within a State, the higher of—

(aa) the number that represents the number of unemployed individuals in excess of 4.5 percent of the civilian labor force in the State; or

(bb) the number that represents the number of unemployed individuals in excess of 4.5 percent of the civilian labor force in areas of substantial unemployment in such State.

(2) DISLOCATED WORKER EMPLOYMENT AND TRAINING.—

(A) RESERVATION FOR OUTLYING AREAS.—

(i) IN GENERAL.—From the amount made available under subsection (a)(2)(A) for a fiscal year, the Secretary shall reserve not more than 1/4 of 1 percent of the amount appropriated under section 137(c) for the fiscal year to provide assistance to the outlying areas.

(ii) APPLICABILITY OF ADDITIONAL REQUIREMENTS.—From the amount reserved under clause (i), the Secretary shall provide assistance to the outlying areas for dislocated worker employment and training activities and statewide workforce investment activities in accordance with the requirements of section 127(b)(1)(B), except that the reference in section 127(b)(1)(B)(i)(II) to sections 252(a) and 262(a)(1) of the Job Training Partnership Act shall be deemed to be a reference to section 302(e) of the Job Training Partnership Act (as in effect on the day before the date of enactment of this Act).

(B) STATES.—

(i) IN GENERAL.—The Secretary shall allot the amount referred to in subsection (a)(2)(B) for a fiscal year to the States pursuant to clause (ii) for dislocated worker employment and training activities and statewide workforce investment activities.

(ii) FORMULA.—Of the amount—

(I) 33⅓ percent shall be allotted on the basis of the relative number of unemployed individuals in each State, compared to the total number of unemployed individuals in all States;

(II) 33⅓ percent shall be allotted on the basis of the relative excess number of unemployed individuals in each State, compared to the total excess number of unemployed individuals in all States; and

(III) 33⅓ percent shall be allotted on the basis of the relative number of individuals in each State who have been unemployed for 15 weeks or more, compared to the total number of individuals in all States who have been unemployed for 15 weeks or more.

(iii) DEFINITION.—In this subparagraph, the term ''excess number'' means, used with respect to the excess number of unemployed individuals within a State, the number that represents the number of unemployed individuals in excess of 4.5 percent of the civilian labor force in the State.

(3) DEFINITIONS.—For the purpose of the formulas specified in this subsection:

(A) FREELY ASSOCIATED STATES.—The term ''Freely Associated States'' means the Republic of the Marshall Islands, the Federated States of Micronesia, and the Republic of Palau.

(B) LOW-INCOME LEVEL.—The term ''low-income level'' means $7,000 with respect to income in 1969, and for any later year means that amount that bears the same relationship to $7,000 as the Consumer Price Index for that year bears to the Consumer Price Index for 1969, rounded to the nearest $1,000.

(c) REALLOTMENT.—

(1) IN GENERAL.—The Secretary shall, in accordance with this subsection, reallot to eligible States amounts that are allotted under this section for employment and training activities and statewide workforce investment activities and that are available for reallotment.

(2) AMOUNT.—The amount available for reallotment for a program year is equal to the amount by which the unobligated balance of the State allotments under this section for such activities, at the end of the program year prior to the program year for which the determination under this paragraph is made, exceeds 20 percent of such allotments for the prior program year.

(3) REALLOTMENT.—In making reallotments to eligible States of amounts available pursuant to paragraph (2) for a program year, the Secretary shall allot to each eligible State an amount based on the relative amount allotted to such State under this section for such activities for the prior program year, as compared to the total amount allotted to all eligible States under this section for such activities for such prior program year.

(4) ELIGIBILITY.—For purposes of this subsection, an eligible State means a State that has obligated at least 80 percent of the State allotment under this section for such activities for the program year prior to the program year for which the determination under paragraph (2) is made.

(5) PROCEDURES.—The Governor of each State shall prescribe uniform procedures for the obligation of funds by local areas within the State in order to avoid the requirement that funds be made available for reallotment under this subsection. The Governor shall further prescribe equitable procedures for making funds available from the State and local areas in the event that a State is required to make funds available for reallotment under this subsection.

SEC. 133. WITHIN STATE ALLOCATIONS.

(a) RESERVATIONS FOR STATE ACTIVITIES.—

(1) STATEWIDE WORKFORCE INVESTMENT ACTIVITIES.—The Governor of a State shall make the reservation required under section 128(a).

(2) STATEWIDE RAPID RESPONSE ACTIVITIES.—The Governor of the State shall reserve not more than 25 percent of the total amount allotted to the State under section 132(b)(2)(B) for a fiscal year for statewide rapid response activities described in section 134(a)(2)(A).

(b) WITHIN STATE ALLOCATION.—

(1) METHODS.—The Governor, acting in accordance with the State plan, and after consulting with chief elected officials in the local areas, shall allocate—

(A) the funds that are allotted to the State for adult employment and training activities and statewide workforce investment activities under section 132(b)(1)(B) and are not reserved under subsection (a)(1), in accordance with paragraph (2) or (3); and

(B) the funds that are allotted to the State for dislocated worker employment and training activities under section 132(b)(2)(B) and are not reserved under paragraph (1) or (2) of subsection (a), in accordance with paragraph (2).

(2) FORMULA ALLOCATIONS.—

(A) ADULT EMPLOYMENT AND TRAINING ACTIVITIES.—

(i) ALLOCATION.—In allocating the funds described in paragraph (1)(A) to local areas, a State may allocate—

(I) 33⅓ percent of the funds on the basis described in section 132(b)(1)(B)(ii)(I);

(II) 33⅓ percent of the funds on the basis described in section 132(b)(1)(B)(ii)(II); and

(III) 33⅓ percent of the funds on the basis described in clauses (ii)(III) and (iii) of section 132(b)(1)(B).

(ii) MINIMUM PERCENTAGE.—Effective at the end of the second full fiscal year after the date on which a local area is designated under section 116, the local area shall not receive an allocation percentage for a fiscal year that is less than 90 percent of the average allocation percentage of the local area for the 2 preceding fiscal years. Amounts necessary for increasing such allocations to local areas to comply with the preceding sentence shall be obtained by ratably reducing the allocations to be made to other local areas under this subparagraph.

(iii) DEFINITION.—The term ''allocation percentage'', used with respect to fiscal year 2000 or a subsequent fiscal year, means a percentage of the funds referred to in clause (i), received through an allocation made under this subparagraph, for the fiscal year.

(B) DISLOCATED WORKER EMPLOYMENT AND TRAINING ACTIVITIES.—

(i) FORMULA.—In allocating the funds described in paragraph (1)(B) to local areas, a State shall allocate the funds based on an allocation formula prescribed by the Governor of the State. Such formula may be amended by the

Governor not more than once for each program year. Such formula shall utilize the most appropriate information available to the Governor to distribute amounts to address the State's worker readjustment assistance needs.

(ii) INFORMATION.—The information described in clause (i) shall include insured unemployment data, unemployment concentrations, plant closing and mass layoff data, declining industries data, farmer-rancher economic hardship data, and long-term unemployment data.

(C) APPLICATION.—For purposes of carrying out subparagraph (A)—

(i) references in section 132(b) to a State shall be deemed to be references to a local area;

(ii) references in section 132(b) to all States shall be deemed to be references to all local areas in the State involved; and

(iii) except as described in clause (i), references in section 132(b)(1) to the term ''excess number'' shall be considered to be references to the term as defined in section 132(b)(1).

(3) ADULT EMPLOYMENT AND TRAINING DISCRETIONARY ALLOCATIONS.—In lieu of making the allocation described in paragraph (2)(A), in allocating the funds described in paragraph (1)(A) to local areas, a State may distribute—

(A) a portion equal to not less than 70 percent of the funds in accordance with paragraph (2)(A); and

(B) the remaining portion of the funds on the basis of a formula that—

(i) incorporates additional factors (other than the factors described in paragraph (2)(A)) relating to—

(I) excess poverty in urban, rural, and suburban local areas; and

(II) excess unemployment above the State average in urban, rural, and suburban local areas; and

(ii) was developed by the State board and approved by the Secretary as part of the State plan.

(4) TRANSFER AUTHORITY.—A local board may transfer, if such a transfer is approved by the Governor, not more than 20 percent of the funds allocated to the local area under paragraph (2)(A) or (3), and 20 percent of the funds allocated to the local area under paragraph (2)(B), for a fiscal year between—

(A) adult employment and training activities; and

(B) dislocated worker employment and training activities.

(5) ALLOCATION.—

(A) IN GENERAL.—The Governor of the State shall allocate the funds described in paragraph (1) to local areas under paragraphs (2) and (3) for the purpose of providing a single system of employment and training activities for adults and dislocated workers in accordance with subsections (d) and (e) of section 134.

(B) ADDITIONAL REQUIREMENTS.—

(i) ADULTS.—Funds allocated under paragraph (2)(A) or (3) shall be used by a local area to contribute proportionately to the costs of the one-stop delivery system described in section 134(c) in the local area, and to pay for employment and training activities provided to adults in the local area, consistent with section 134.

(ii) DISLOCATED WORKERS.—Funds allocated under paragraph (2)(B) shall be used by a local area to contribute proportionately to the costs of the one-stop delivery system described in section 134(c) in the local area, and to pay for employment and training activities provided to dislocated workers in the local area, consistent with section 134.

(c) REALLOCATION AMONG LOCAL AREAS.—

(1) IN GENERAL.—The Governor may, in accordance with this subsection, reallocate to eligible local areas within the State amounts that are allocated under paragraph (2)(A) or (3) of subsection (b) for adult employment and training activities and that are available for reallocation.

(2) AMOUNT.—The amount available for reallocation for a program year is equal to the amount by which the unobligated balance of the local area allocation under paragraph (2)(A) or (3) of subsection (b) for such activities, at the end of the program year prior to the program year for which the determination under this paragraph is made exceeds 20 percent of such allocation for the prior program year.

(3) REALLOCATION.—In making reallocations to eligible local areas of amounts available pursuant to paragraph (2) for a program year, the Governor shall allocate to each eligible local area within the State an amount based on the relative amount allocated to such local area under subsection (b)(3) for such activities for the prior program year, as compared to the total amount allocated to all eligible local areas in the State under subsection (b)(3) for such activities for such prior program year. For purposes of this paragraph, local areas that received allocations under subsection (b)(2)(A) for the prior program year shall be treated as if the local areas received allocations under subsection (b)(3) for such year.

(4) ELIGIBILITY.—For purposes of this subsection, an eligible local area means a local area that has obligated at least 80 percent of the local area allocation under paragraph (2)(A) or (3) of subsection (b) for such activities, for the program year prior to the program year for which the determination under paragraph (2) is made.

SEC. 134. USE OF FUNDS FOR EMPLOYMENT AND TRAINING ACTIVITIES.

(a) STATEWIDE EMPLOYMENT AND TRAINING ACTIVITIES.—

(1) IN GENERAL.—Funds reserved by a Governor for a State—

(A) as described in section 133(a)(2) shall be used to carry out the statewide rapid response activities described in paragraph (2)(A); and

(B) as described in sections 128(a) and 133(a)(1)—

(i) shall be used to carry out the statewide employment and training activities described in paragraph (2)(B); and

(ii) may be used to carry out any of the statewide employment and training activities described in paragraph (3),

regardless of whether the funds were allotted to the State under section 127(b)(1) or under paragraph (1) or (2) of section 132(b).

(2) REQUIRED STATEWIDE EMPLOYMENT AND TRAINING ACTIVITIES.—

(A) STATEWIDE RAPID RESPONSE ACTIVITIES.—A State shall use funds reserved as described in section 133(a)(2) to carry out statewide rapid response activities, which shall include—

(i) provision of rapid response activities, carried out in local areas by the State or by an entity designated by the State, working in conjunction with the local boards and the chief elected officials in the local areas; and

(ii) provision of additional assistance to local areas that experience disasters, mass layoffs or plant closings, or other events that precipitate substantial increases in the number of unemployed individuals, carried out in local areas by the State or by an entity designated by the State, working in conjunction with the local boards and the chief elected officials in the local areas.

(B) OTHER REQUIRED STATEWIDE EMPLOYMENT AND TRAINING ACTIVITIES.—A State shall use funds reserved as described in sections 128(a) and 133(a)(1) (regardless of whether the funds were allotted to the State under section 127(b)(1) or paragraph (1) or (2) of section 132(b)) to carry out other statewide employment and training activities, which shall include—

(i) disseminating the State list of eligible providers of training services, including eligible providers of nontraditional training services, information identifying eligible providers of on-the-job training and customized training, and performance information and program cost information, as described in subsections (e) and (h) of section 122;

(ii) conducting evaluations, under section 136(e), of activities authorized in this section, in coordination with the activities carried out under section 172;

(iii) providing incentive grants to local areas for regional cooperation among local boards (including local boards for a designated region as described in section 116(c)), for local coordination of activities carried out under this Act, and for exemplary performance by local areas on the local performance measures;

(iv) providing technical assistance to local areas that fail to meet local performance measures;

(v) assisting in the establishment and operation of one-stop delivery systems described in subsection (c); and

(vi) operating a fiscal and management accountability information system under section 136(f).

(3) ALLOWABLE STATEWIDE EMPLOYMENT AND TRAINING ACTIVITIES.—

(A) IN GENERAL.—A State may use funds reserved as described in sections 128(a) and 133(a)(1) (regardless of whether the funds were allotted to the State under section 127(b)(1) or paragraph (1) or (2) of section 132(b)) to carry out additional statewide employment and training activities, which may include—

(i) subject to subparagraph (B), administration by the State of the activities authorized under this section;

(ii) provision of capacity building and technical assistance to local areas, one-stop operators, one-stop partners, and eligible providers, including the development and training of staff and the development of exemplary program activities;

(iii) conduct of research and demonstrations;

(iv)(I) implementation of innovative incumbent worker training programs, which may include the establishment and implementation of an employer loan program to assist in skills upgrading; and

(II) the establishment and implementation of programs targeted to empowerment zones and enterprise communities;

(v) support for the identification of eligible providers of training services as required under section 122;

(vi)(I) implementation of innovative programs for displaced homemakers, which for purposes of this subclause may include an individual who is receiving public assistance and is within 2 years of exhausting lifetime eligibility under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.); and

(II) implementation of programs to increase the number of individuals training for and placed in nontraditional employment; and

(vii) carrying out other activities authorized in this section that the State determines to be necessary to assist local areas in carrying out activities described in subsection (d) or (e) through the statewide workforce investment system.

(B) LIMITATION.—

(i) IN GENERAL.—Of the funds allotted to a State under sections 127(b) and 132(b) and reserved as described in sections 128(a) and 133(a)(1) for a fiscal year—

(I) not more than 5 percent of the amount allotted under section 127(b)(1);

(II) not more than 5 percent of the amount allotted under section 132(b)(1); and

(III) not more than 5 percent of the amount allotted under section 132(b)(2),

may be used by the State for the administration of youth activities carried out under section 129 and employment and training activities carried out under this section.

(ii) USE OF FUNDS.—Funds made available for administrative costs under clause (i) may be used for the administrative cost of any of the statewide youth activities or statewide employment and training activities, regardless of whether the funds were allotted to the State

under section 127(b)(1) or paragraph (1) or (2) of section 132(b).

(b) LOCAL EMPLOYMENT AND TRAINING ACTIVITIES.—Funds allocated to a local area for adults under paragraph (2)(A) or (3), as appropriate, of section 133(b), and funds allocated to a local area for dislocated workers under section 133(b)(2)(B)—

(1) shall be used to carry out employment and training activities described in subsection (d) for adults or dislocated workers, respectively; and

(2) may be used to carry out employment and training activities described in subsection (e) for adults or dislocated workers, respectively.

(c) ESTABLISHMENT OF ONE-STOP DELIVERY SYSTEM.—

(1) IN GENERAL.—There shall be established in a State that receives an allotment under section 132(b) a one-stop delivery system, which—

(A) shall provide the core services described in subsection (d)(2);

(B) shall provide access to intensive services and training services as described in paragraphs (3) and (4) of subsection (d), including serving as the point of access to individual training accounts for training services to participants in accordance with subsection (d)(4)(G);

(C) shall provide access to the activities carried out under subsection (e), if any;

(D) shall provide access to programs and activities carried out by one-stop partners and described in section 121(b); and

(E) shall provide access to the information described in section 15 of the Wagner-Peyser Act and all job search, placement, recruitment, and other labor exchange services authorized under the Wagner-Peyser Act (29 U.S.C. 49 et seq.).

(2) ONE-STOP DELIVERY.—At a minimum, the one-stop delivery system—

(A) shall make each of the programs, services, and activities described in paragraph (1) accessible at not less than 1 physical center in each local area of the State; and

(B) may also make programs, services, and activities described in paragraph (1) available—

(i) through a network of affiliated sites that can provide 1 or more of the programs, services, and activities to individuals; and

(ii) through a network of eligible one-stop partners—

(I) in which each partner provides 1 or more of the programs, services, and activities to such individuals and is accessible at an affiliated site that consists of a physical location or an electronically or technologically linked access point; and

(II) that assures individuals that information on the availability of the core services will be available regardless of where the individuals initially enter the statewide workforce investment system, including information made available through an access point described in subclause (I).

(3) SPECIALIZED CENTERS.—The centers and sites described in paragraph (2) may have a specialization in addressing special needs, such as the needs of dislocated workers.

(d) REQUIRED LOCAL EMPLOYMENT AND TRAINING ACTIVITIES.—

(1) IN GENERAL.—

(A) ALLOCATED FUNDS.—Funds allocated to a local area for adults under paragraph (2)(A) or (3), as appropriate, of section 133(b), and funds allocated to the local area for dislocated workers under section 133(b)(2)(B), shall be used—

(i) to establish a one-stop delivery system described in subsection (c);

(ii) to provide the core services described in paragraph (2) to adults and dislocated workers, respectively, through the one-stop delivery system in accordance with such paragraph;

(iii) to provide the intensive services described in paragraph (3) to adults and dislocated workers, respectively, described in such paragraph; and

(iv) to provide training services described in paragraph (4) to adults and dislocated workers, respectively, described in such paragraph.

(B) OTHER FUNDS.—A portion of the funds made available under Federal law authorizing the programs and activities described in section 121(b)(1)(B), including the Wagner-Peyser Act (29 U.S.C. 49 et seq.), shall be used as described in clauses (i) and (ii) of subparagraph (A), to the extent not inconsistent with the Federal law involved.

(2) CORE SERVICES.—Funds described in paragraph (1)(A) shall be used to provide core services, which shall be available to individuals who are adults or dislocated workers through the one-stop delivery system and shall, at a minimum, include—

(A) determinations of whether the individuals are eligible to receive assistance under this subtitle;

(B) outreach, intake (which may include worker profiling), and orientation to the information and other services available through the one-stop delivery system;

(C) initial assessment of skill levels, aptitudes, abilities, and supportive service needs;

(D) job search and placement assistance, and where appropriate, career counseling;

(E) provision of employment statistics information, including the provision of accurate information relating to local, regional, and national labor market areas, including—

(i) job vacancy listings in such labor market areas;

(ii) information on job skills necessary to obtain the jobs described in clause (i); and

(iii) information relating to local occupations in demand and the earnings and skill requirements for such occupations; and

(F) provision of performance information and program cost information on eligible providers of training services as described in section 122, provided by program, and eligible providers of youth activities described in section 123, providers of adult education described in title II, providers of postsecondary vocational education activities and vocational education activities available to school dropouts under the Carl D. Perkins Vocational and Applied Technology Education Act (20 U.S.C. 2301 et seq.), and providers of vocational rehabilitation program activities described in title I of the Rehabilitation Act of 1973 (29 U.S.C. 720 et seq.);

(G) provision of information regarding how the local area is performing on the local performance measures and any additional performance information with respect to the one-stop delivery system in the local area;

(H) provision of accurate information relating to the availability of supportive services, including child care and transportation, available in the local area, and referral to such services, as appropriate;

(I) provision of information regarding filing claims for unemployment compensation;

(J) assistance in establishing eligibility for—

(i) welfare-to-work activities authorized under section 403(a)(5) of the Social Security Act (as added by section 5001 of the Balanced Budget Act of 1997) available in the local area; and

(ii) programs of financial aid assistance for training and education programs that are not funded under this Act and are available in the local area; and

(K) followup services, including counseling regarding the workplace, for participants in workforce investment activities authorized under this subtitle who are placed in unsubsidized employment, for not less than 12 months after the first day of the employment, as appropriate.

(3) INTENSIVE SERVICES.—

(A) IN GENERAL.—Funds allocated to a local area for adults under paragraph (2)(A) or (3), as appropriate, of section 133(b), and funds allocated to the local area for dislocated workers under section 133(b)(2)(B), shall be used to provide intensive services to adults and dislocated workers, respectively—

(i)(I) who are unemployed and are unable to obtain employment through core services provided under paragraph (2); and

(II) who have been determined by a one-stop operator to be in need of more intensive services in order to obtain employment; or

(ii) who are employed, but who are determined by a one-stop operator to be in need of such intensive services in order to obtain or retain employment that allows for self-sufficiency.

(B) DELIVERY OF SERVICES.—Such intensive services shall be provided through the one-stop delivery system—

(i) directly through one-stop operators identified pursuant to section 121(d); or

(ii) through contracts with service providers, which may include contracts with public, private for-profit, and private nonprofit service providers, approved by the local board.

(C) TYPES OF SERVICES.—Such intensive services may include the following:

(i) Comprehensive and specialized assessments of the skill levels and service needs of adults and dislocated workers, which may include—

(I) diagnostic testing and use of other assessment tools; and

(II) in-depth interviewing and evaluation to identify employment barriers and appropriate employment goals.

(ii) Development of an individual employment plan, to identify the employment goals, appropriate achievement objectives, and appropriate combination of services for the participant to achieve the employment goals.

(iii) Group counseling.

(iv) Individual counseling and career planning.

(v) Case management for participants seeking training services under paragraph (4).

(vi) Short-term prevocational services, including development of learning skills, communication skills, interviewing skills, punctuality, personal maintenance skills, and professional conduct, to prepare individuals for unsubsidized employment or training.

(4) TRAINING SERVICES.—

(A) IN GENERAL.—Funds allocated to a local area for adults under paragraph (2)(A) or (3), as appropriate, of section 133(b), and funds allocated to a local area for dislocated workers under section 133(b)(2)(B) shall be used to provide training services to adults and dislocated workers, respectively—

(i) who have met the eligibility requirements for intensive services under paragraph (3)(A) and who are unable to obtain or retain employment through such services;

(ii) who after an interview, evaluation, or assessment, and case management, have been determined by a one-stop operator or one-stop partner, as appropriate, to be in need of training services and to have the skills and qualifications to successfully participate in the selected program of training services;

(iii) who select programs of training services that are directly linked to the employment opportunities in the local area involved or in another area in which the adults or dislocated workers receiving such services are willing to relocate;

(iv) who meet the requirements of subparagraph (B); and

(v) who are determined to be eligible in accordance with the priority system, if any, in effect under subparagraph (E).

(B) QUALIFICATION.—

(i) REQUIREMENT.—Except as provided in clause (ii), provision of such training services shall be limited to individuals who—

(I) are unable to obtain other grant assistance for such services, including Federal Pell Grants established under title IV of the Higher Education Act of 1965 (20 U.S.C. 1070 et seq.); or

(II) require assistance beyond the assistance made available under other grant assistance programs, including Federal Pell Grants.

(ii) REIMBURSEMENTS.—Training services may be provided under this paragraph to an individual who otherwise meets the requirements of this paragraph while an application for a Federal Pell Grant is pending, except that if such

individual is subsequently awarded a Federal Pell Grant, appropriate reimbursement shall be made to the local area from such Federal Pell Grant.

(C) PROVIDER QUALIFICATION.—Training services shall be provided through providers identified in accordance with section 122.

(D) TRAINING SERVICES.—Training services may include—

(i) occupational skills training, including training for nontraditional employment;

(ii) on-the-job training;

(iii) programs that combine workplace training with related instruction, which may include cooperative education programs;

(iv) training programs operated by the private sector;

(v) skill upgrading and retraining;

(vi) entrepreneurial training;

(vii) job readiness training;

(viii) adult education and literacy activities provided in combination with services described in any of clauses (i) through (vii); and

(ix) customized training conducted with a commitment by an employer or group of employers to employ an individual upon successful completion of the training.

(E) PRIORITY.—In the event that funds allocated to a local area for adult employment and training activities under paragraph (2)(A) or (3) of section 133(b) are limited, priority shall be given to recipients of public assistance and other low-income individuals for intensive services and training services. The appropriate local board and the Governor shall direct the one-stop operators in the local area with regard to making determinations related to such priority.

(F) CONSUMER CHOICE REQUIREMENTS.—

(i) IN GENERAL.—Training services provided under this paragraph shall be provided in a manner that maximizes consumer choice in the selection of an eligible provider of such services.

(ii) ELIGIBLE PROVIDERS.—Each local board, through one-stop centers referred to in subsection (c), shall make available—

(I) the State list of eligible providers of training services required under section 122(e), with a description of the programs through which the providers may offer the training services, and the information identifying eligible providers of on-the-job training and customized training required under section 122(h); and

(II) the performance information and performance cost information relating to eligible providers of training services described in subsections (e) and (h) of section 122.

(G) USE OF INDIVIDUAL TRAINING ACCOUNTS.—

(i) IN GENERAL.—Except as provided in clause (ii), training services provided under this paragraph shall be provided through the use of individual training accounts in accordance with this paragraph, and shall be provided to eligible individuals through the one-stop delivery system.

(ii) EXCEPTIONS.—Training services authorized under this paragraph may be provided pursuant to a contract for services in lieu of an individual training account if the requirements of subparagraph (F) are met and if—

(I) such services are on-the-job training provided by an employer or customized training;

(II) the local board determines there are an insufficient number of eligible providers of training services in the local area involved (such as in a rural area) to accomplish the purposes of a system of individual training accounts; or

(III) the local board determines that there is a training services program of demonstrated effectiveness offered in the local area by a community-based organization or another private organization to serve special participant populations that face multiple barriers to employment.

(iii) LINKAGE TO OCCUPATIONS IN DEMAND.—Training services provided under this paragraph shall be directly linked to occupations that are in demand in the local area, or in another area to which an adult or dislocated worker receiving such services is willing to relocate, except that a local board may approve training services for occupations determined by the local board to be in sectors of the economy that have a high potential for sustained demand or growth in the local area.

(iv) DEFINITION.—In this subparagraph, the term ''special participant population that faces multiple barriers to employment'' means a population of low-income individuals that is included in 1 or more of the following categories:

(I) Individuals with substantial language or cultural barriers.

(II) Offenders.

(III) Homeless individuals.

(IV) Other hard-to-serve populations as defined by the Governor involved.

(e) PERMISSIBLE LOCAL EMPLOYMENT AND TRAINING ACTIVITIES.—

(1) DISCRETIONARY ONE-STOP DELIVERY ACTIVITIES.—Funds allocated to a local area for adults under paragraph (2)(A) or (3), as appropriate, of section 133(b), and funds allocated to the local area for dislocated workers under section 133(b)(2)(B), may be used to provide, through one-stop delivery described in subsection (c)(2)—

(A) customized screening and referral of qualified participants in training services described in subsection (d)(4) to employment; and

(B) customized employment-related services to employers on a fee-for-service basis.

(2) SUPPORTIVE SERVICES.—Funds allocated to a local area for adults under paragraph (2)(A) or (3), as appropriate, of section 133(b), and funds allocated to the local area for dislocated workers under section 133(b)(2)(B), may be used to provide supportive services to adults and dislocated workers, respectively—

(A) who are participating in programs with activities authorized in any of paragraphs (2), (3), or (4) of subsection (d); and

(B) who are unable to obtain such supportive services through other programs providing such services.

(3) NEEDS-RELATED PAYMENTS.—

(A) IN GENERAL.—Funds allocated to a local area for adults under paragraph (2)(A) or (3), as appropriate, of section 133(b), and funds allocated to the local area for dislocated workers under section 133(b)(2)(B), may be used to provide needs-related payments to adults and dislocated workers, respectively, who are unemployed and do not qualify for (or have ceased to qualify for) unemployment compensation for the purpose of enabling such individuals to participate in programs of training services under subsection (d)(4).

(B) ADDITIONAL ELIGIBILITY REQUIREMENTS.—In addition to the requirements contained in subparagraph (A), a dislocated worker who has ceased to qualify for unemployment compensation may be eligible to receive needs-related payments under this paragraph only if such worker was enrolled in the training services—

(i) by the end of the 13th week after the most recent layoff that resulted in a determination of the worker's eligibility for employment and training activities for dislocated workers under this subtitle; or

(ii) if later, by the end of the 8th week after the worker is informed that a short-term layoff will exceed 6 months.

(C) LEVEL OF PAYMENTS.—The level of a needs-related payment made to a dislocated worker under this paragraph shall not exceed the greater of—

(i) the applicable level of unemployment compensation; or

(ii) if such worker did not qualify for unemployment compensation, an amount equal to the poverty line, for an equivalent period, which amount shall be adjusted to reflect changes in total family income.

CHAPTER 6—GENERAL PROVISIONS

SEC. 136. PERFORMANCE ACCOUNTABILITY SYSTEM.

(a) PURPOSE.—The purpose of this section is to establish a comprehensive performance accountability system, comprised of the activities described in this section, to assess the effectiveness of States and local areas in achieving continuous improvement of workforce investment activities funded under this subtitle, in order to optimize the return on investment of Federal funds in statewide and local workforce investment activities.

(b) STATE PERFORMANCE MEASURES.—

(1) IN GENERAL.—For each State, the State performance measures shall consist of—

(A)(i) the core indicators of performance described in paragraph (2)(A) and the customer satisfaction indicator of performance described in paragraph (2)(B); and

(ii) additional indicators of performance (if any) identified by the State under paragraph (2)(C); and

(B) a State adjusted level of performance for each indicator described in subparagraph (A).

(2) INDICATORS OF PERFORMANCE.—

(A) CORE INDICATORS OF PERFORMANCE.—

(i) IN GENERAL.—The core indicators of performance for employment and training activities authorized under section 134 (except for self-service and informational activities) and (for participants who are eligible youth age 19 through 21) for youth activities authorized under section 129 shall consist of—

(I) entry into unsubsidized employment;

(II) retention in unsubsidized employment 6 months after entry into the employment;

(III) earnings received in unsubsidized employment 6 months after entry into the employment; and

(IV) attainment of a recognized credential relating to achievement of educational skills, which may include attainment of a secondary school diploma or its recognized equivalent, or occupational skills, by participants who enter unsubsidized employment, or by participants who are eligible youth age 19 through 21 who enter postsecondary education, advanced training, or unsubsidized employment.

(ii) CORE INDICATORS FOR ELIGIBLE YOUTH.—The core indicators of performance (for participants who are eligible youth age 14 through 18) for youth activities authorized under section 129, shall include—

(I) attainment of basic skills and, as appropriate, work readiness or occupational skills;

(II) attainment of secondary school diplomas and their recognized equivalents; and

(III) placement and retention in postsecondary education or advanced training, or placement and retention in military service, employment, or qualified apprenticeships.

(B) CUSTOMER SATISFACTION INDICATORS.—The customer satisfaction indicator of performance shall consist of customer satisfaction of employers and participants with services received from the workforce investment activities authorized under this subtitle. Customer satisfaction may be measured through surveys conducted after the conclusion of participation in the workforce investment activities.

(C) ADDITIONAL INDICATORS.—A State may identify in the State plan additional indicators for workforce investment activities authorized under this subtitle.

(3) LEVELS OF PERFORMANCE.—

(A) STATE ADJUSTED LEVELS OF PERFORMANCE FOR CORE INDICATORS AND CUSTOMER SATISFACTION INDICATOR.—

(i) IN GENERAL.—For each State submitting a State plan, there shall be established, in accordance with this subparagraph, levels of performance for each of the core indicators of performance described in paragraph (2)(A) and the customer satisfaction indicator described in paragraph (2)(B) for workforce investment activities authorized under this subtitle. The levels of performance established under this subparagraph shall, at a minimum—

(I) be expressed in an objective, quantifiable, and measurable form; and

(II) show the progress of the State toward continuously improving in performance.

(ii) IDENTIFICATION IN STATE PLAN.—Each State shall identify, in the State plan submitted under section 112, expected levels of performance for each of the core indicators of performance and the customer satisfaction indicator of performance, for the first 3 program years covered by the State plan.

(iii) AGREEMENT ON STATE ADJUSTED LEVELS OF PERFORMANCE FOR FIRST 3 YEARS.—In order to ensure an optimal return on the investment of Federal funds in workforce investment activities authorized under this subtitle, the Secretary and each Governor shall reach agreement on levels of performance for each of the core indicators of performance and the customer satisfaction indicator of performance, for the first 3 program years covered by the State plan, taking into account the levels identified in the State plan under clause (ii) and the factors described in clause (iv). The levels agreed to under this clause shall be considered to be the State adjusted levels of performance for the State for such years and shall be incorporated into the State plan prior to the approval of such plan.

(iv) FACTORS.—The agreement described in clause (iii) or (v) shall take into account—

(I) the extent to which the levels involved will assist the State in attaining a high level of customer satisfaction;

(II) how the levels involved compare with the State adjusted levels of performance established for other States, taking into account factors including differences in economic conditions, the characteristics of participants when the participants entered the program, and the services to be provided; and

(III) the extent to which such levels involved promote continuous improvement in performance on the performance measures by such State and ensure optimal return on the investment of Federal funds.

(v) AGREEMENT ON STATE ADJUSTED LEVELS OF PERFORMANCE FOR 4TH AND 5TH YEARS.—Prior to the fourth program year covered by the State plan, the Secretary and each Governor shall reach agreement on levels of performance for each of the core indicators of performance and the customer satisfaction indicator of performance, for the fourth and fifth program years covered by the State plan, taking into account the factors described in clause (iv). The levels agreed to under this clause shall be considered to be the State adjusted levels of performance for the State for such years and shall be incorporated into the State plan.

(vi) REVISIONS.—If unanticipated circumstances arise in a State resulting in a significant change in the factors described in clause (iv)(II), the Governor may request that the State adjusted levels of performance agreed to under clause (iii) or (v) be revised. The Secretary, after collaboration with the representatives described in subsection (i), shall issue objective criteria and methods for making such revisions.

(B) LEVELS OF PERFORMANCE FOR ADDITIONAL INDICATORS.—The State may identify, in the State plan, State levels of performance for each of the additional indicators described in paragraph (2)(C). Such levels shall be considered to be State adjusted levels of performance for purposes of this title.

(c) LOCAL PERFORMANCE MEASURES.—

(1) IN GENERAL.—For each local area in a State, the local performance measures shall consist of—

(A)(i) the core indicators of performance described in subsection (b)(2)(A), and the customer satisfaction indicator of performance described in subsection (b)(2)(B), for activities described in such subsections, other than statewide workforce investment activities; and

(ii) additional indicators of performance (if any) identified by the State under subsection (b)(2)(C) for activities described in such subsection, other than statewide workforce investment activities; and

(B) a local level of performance for each indicator described in subparagraph (A).

(2) LOCAL LEVEL OF PERFORMANCE.—The local board, the chief elected official, and the Governor shall negotiate and reach agreement on the local levels of performance based on the State adjusted levels of performance established under subsection (b).

(3) DETERMINATIONS.—In determining such local levels of performance, the local board, the chief elected official, and the Governor shall take into account the specific economic, demographic, and other characteristics of the populations to be served in the local area.

(d) REPORT.—

(1) IN GENERAL.—Each State that receives an allotment under section 127 or 132 shall annually prepare and submit to the Secretary a report on the progress of the State in achieving State performance measures, including information on the levels of performance achieved by the State with respect to the core indicators of performance and the customer satisfaction indicator. The annual report also shall include information regarding the progress of local areas in the State in achieving local performance measures, including information on the levels of performance achieved by the areas with respect to the core indicators of performance and the customer satisfaction indicator. The report also shall include information on the status of State evaluations of workforce investment activities described in subsection (e).

(2) ADDITIONAL INFORMATION.—In preparing such report, the State shall include, at a minimum, information on participants in workforce investment activities authorized under this subtitle relating to—

(A) entry by participants who have completed training services provided under section 134(d)(4) into unsubsidized employment related to the training received;

(B) wages at entry into employment for participants in workforce investment activities who entered unsubsidized employment, including the rate of wage replacement for such participants who are dislocated workers;

(C) cost of workforce investment activities relative to the effect of the activities on the performance of participants;

(D) retention and earnings received in unsubsidized employment 12 months after entry into the employment;

(E) performance with respect to the indicators of performance specified in subsection (b)(2)(A) of participants in workforce investment activities who received the training services compared with the performance of participants in workforce investment activities who received only services other than the training services (excluding participants who received only self-service and informational activities); and

(F) performance with respect to the indicators of performance specified in subsection (b)(2)(A) of recipients of public assistance, out-of-school youth, veterans, individuals with disabilities, displaced homemakers, and older individuals.

(3) INFORMATION DISSEMINATION.—The Secretary—

(A) shall make the information contained in such reports available to the general public through publication and other appropriate methods;

(B) shall disseminate State-by-State comparisons of the information; and

(C) shall provide the appropriate congressional committees with copies of such reports.

(e) EVALUATION OF STATE PROGRAMS.—

(1) IN GENERAL.—Using funds made available under this subtitle, the State, in coordination with local boards in the State, shall conduct ongoing evaluation studies of workforce investment activities carried out in the State under this subtitle in order to promote, establish, implement, and utilize methods for continuously improving the activities in order to achieve high-level performance within, and high-level outcomes from, the statewide workforce investment system. To the maximum extent practicable, the State shall coordinate the evaluations with the evaluations provided for by the Secretary under section 172.

(2) DESIGN.—The evaluation studies conducted under this subsection shall be designed in conjunction with the State board and local boards and shall include analysis of customer feedback and outcome and process measures in the statewide workforce investment system. The studies may include use of control groups.

(3) RESULTS.—The State shall periodically prepare and submit to the State board, and local boards in the State, reports containing the results of evaluation studies conducted under this subsection, to promote the efficiency and effectiveness of the statewide workforce investment system in improving employability for jobseekers and competitiveness for employers.

(f) FISCAL AND MANAGEMENT ACCOUNTABILITY INFORMATION SYSTEMS.—

(1) IN GENERAL.—Using funds made available under this subtitle, the Governor, in coordination with local boards and chief elected officials in the State, shall establish and operate a fiscal and management accountability information system based on guidelines established by the Secretary after consultation with the Governors, local elected officials, and one-stop partners. Such guidelines shall promote efficient collection and use of fiscal and management information for reporting and monitoring the use of funds made available under this subtitle and for preparing the annual report described in subsection (d).

(2) WAGE RECORDS.—In measuring the progress of the State on State and local performance measures, a State shall utilize quarterly wage records, consistent with State law. The Secretary shall make arrangements, consistent with State law, to ensure that the wage records of any State are available to any other State to the extent that such wage records are required by the State in carrying out the State plan of the State or completing the annual report described in subsection (d).

(3) CONFIDENTIALITY.—In carrying out the requirements of this Act, the State shall comply with section 444 of the General Education Provisions Act (20 U.S.C. 1232g) (as added by the Family Educational Rights and Privacy Act of 1974).

(g) SANCTIONS FOR STATE FAILURE TO MEET STATE PERFORMANCE MEASURES.—

(1) STATES.—

(A) TECHNICAL ASSISTANCE.—If a State fails to meet State adjusted levels of performance relating to indicators described in subparagraph (A) or (B) of subsection (b)(2) for a program for any program year, the Secretary shall, upon request, provide technical assistance in accordance with section 170, including assistance in the development of a performance improvement plan.

(B) REDUCTION IN AMOUNT OF GRANT.—If such failure continues for a second consecutive year, or if a State fails to submit a report under subsection (d) for any program year, the Secretary may reduce by not more than 5 percent, the amount of the grant that would (in the absence of this paragraph) be payable to the State under such program for the immediately succeeding program year. Such penalty shall be based on the degree of failure to meet State adjusted levels of performance.

(2) FUNDS RESULTING FROM REDUCED ALLOTMENTS.—The Secretary shall use an amount retained, as a result of a reduction in an allotment to a State made under paragraph (1)(B), to provide incentive grants under section 503.

(h) SANCTIONS FOR LOCAL AREA FAILURE TO MEET LOCAL PERFORMANCE MEASURES.—

(1) TECHNICAL ASSISTANCE.—If a local area fails to meet levels of performance relating to indicators described in subparagraph (A) or (B) of subsection (b)(2) for a program for any program year, the Governor, or upon request by the Governor, the Secretary, shall provide technical assistance, which may include assistance in the development of a performance improvement plan, or the development of a modified local plan.

(2) CORRECTIVE ACTIONS.—

(A) IN GENERAL.—If such failure continues for a second consecutive year, the Governor shall take corrective actions, which may include development of a reorganization plan through which the Governor may—

(i) require the appointment and certification of a new local board (consistent with the criteria established under section 117(b));

(ii) prohibit the use of eligible providers and one-stop partners identified as achieving a poor level of performance; or

(iii) take such other actions as the Governor determines are appropriate.

(B) APPEAL BY LOCAL AREA.—

(i) APPEAL TO GOVERNOR.—A local area that is subject to a reorganization plan under subparagraph (A) may, not later than 30 days after receiving notice of the reorganization plan, appeal to the Governor to rescind or revise such plan. In such case, the Governor shall make a final decision not later then 30 days after the receipt of the appeal.

(ii) SUBSEQUENT ACTION.—The local area may, not later than 30 days after receiving a decision from the Governor pursuant to clause (i), appeal such decision to the Secretary. In such case, the Secretary shall make a final decision not later than 30 days after the receipt of the appeal.

(C) EFFECTIVE DATE.—The decision made by the Governor under clause (i) of subparagraph (B) shall become effective at the time the Governor issues the decision pursuant to such clause. Such decision shall remain effective unless the Secretary rescinds or revises such plan pursuant to clause (ii) of subparagraph (B).

(i) OTHER MEASURES AND TERMINOLOGY.—

(1) RESPONSIBILITIES.—In order to ensure nationwide comparability of performance data, the Secretary, after collaboration with representatives of appropriate Federal agencies, and representatives of States and political subdivisions, business and industry, employees, eligible providers of employment and training activities, educators, and participants, with expertise regarding workforce investment policies and workforce investment activities, shall issue—

(A) definitions for information required to be reported under subsection (d)(2);

(B) terms for a menu of additional indicators of performance described in subsection (b)(2)(C) to assist States in assessing their progress toward State workforce investment goals; and

(C) objective criteria and methods described in subsection (b)(3)(A)(vi) for making revisions to levels of performance.

(2) DEFINITIONS FOR CORE INDICATORS.—The Secretary and the representatives described in paragraph (1) shall participate in the activities described in section 502 concerning the issuance of definitions for indicators of performance described in subsection (b)(2)(A).

(3) ASSISTANCE.—The Secretary shall make the services of staff available to the representatives to assist the representatives in participating in the collaboration described in paragraph (1) and in the activities described in section 502.

SEC. 137. AUTHORIZATION OF APPROPRIATIONS.

(a) YOUTH ACTIVITIES.—There are authorized to be appropriated to carry out the activities described in section 127(a), such sums as may be necessary for each of fiscal years 1999 through 2003.

(b) ADULT EMPLOYMENT AND TRAINING ACTIVITIES.—There are authorized to be appropriated to carry out the activities described in section 132(a)(1), such sums as may be necessary for each of fiscal years 1999 through 2003.

(c) DISLOCATED WORKER EMPLOYMENT AND TRAINING ACTIVITIES.—There are authorized to be appropriated to carry out the activities described in section 132(a)(2), such sums as may be necessary for each of fiscal years 1999 through 2003.

Subtitle C—Job Corps

SEC. 141. PURPOSES.

The purposes of this subtitle are—

(1) to maintain a national Job Corps program, carried out in partnership with States and communities, to assist eligible youth who need and can benefit from an intensive program, operated in a group setting in residential and nonresidential centers, to become more responsible, employable, and productive citizens;

(2) to set forth standards and procedures for selecting individuals as enrollees in the Job Corps;

(3) to authorize the establishment of Job Corps centers in which enrollees will participate in intensive programs of activities described in this subtitle; and

(4) to prescribe various other powers, duties, and responsibilities incident to the operation and continuing development of the Job Corps.

SEC. 142. DEFINITIONS.

In this subtitle:

(1) APPLICABLE LOCAL BOARD.—The term ''applicable local board'' means a local board—

(A) that provides information for a Job Corps center on local employment opportunities and the job skills needed to obtain the opportunities; and

(B) that serves communities in which the graduates of the Job Corps center seek employment.

(2) APPLICABLE ONE-STOP CENTER.—The term ''applicable one-stop center'' means a one-stop customer service center that provides services, such as referral, intake, recruitment, and placement, to a Job Corps center.

(3) ENROLLEE.—The term ''enrollee'' means an individual who has voluntarily applied for, been selected for, and enrolled in the Job Corps program, and remains with the program, but has not yet become a graduate.

(4) FORMER ENROLLEE.—The term ''former enrollee'' means an individual who has voluntarily applied for, been selected for, and enrolled in the Job Corps program, but left the program before completing the requirements of a vocational training program, or receiving a secondary school diploma or recognized equivalent, as a result of participation in the Job Corps program.

(5) GRADUATE.—The term ''graduate'' means an individual who has voluntarily applied for, been selected for, and enrolled in the Job Corps program and has completed the requirements of a vocational training program, or received a secondary school diploma or recognized equivalent, as a result of participation in the Job Corps program.

(6) JOB CORPS.—The term ''Job Corps'' means the Job Corps described in section 143.

(7) JOB CORPS CENTER.—The term ''Job Corps center'' means a center described in section 147.

(8) OPERATOR.—The term ''operator'' means an entity selected under this subtitle to operate a Job Corps center.

(9) REGION.—The term ''region'' means an area served by a regional office of the Employment and Training Administration.

(10) SERVICE PROVIDER.—The term ''service provider'' means an entity selected under this subtitle to provide services described in this subtitle to a Job Corps center.

SEC. 143. ESTABLISHMENT.

There shall be within the Department of Labor a ''Job Corps''.

SEC. 144. INDIVIDUALS ELIGIBLE FOR THE JOB CORPS.

To be eligible to become an enrollee, an individual shall be—

(1) not less than age 16 and not more than age 21 on the date of enrollment, except that—

(A) not more than 20 percent of the individuals enrolled in the Job Corps may be not less than age 22 and not more than age 24 on the date of enrollment; and

(B) either such maximum age limitation may be waived by the Secretary, in accordance with regulations of the Secretary, in the case of an individual with a disability;

(2) a low-income individual; and

(3) an individual who is 1 or more of the following:

(A) Basic skills deficient.

(B) A school dropout.

(C) Homeless, a runaway, or a foster child.

(D) A parent.

(E) An individual who requires additional education, vocational training, or intensive counseling and related assistance, in order to participate successfully in regular schoolwork or to secure and hold employment.

SEC. 145. RECRUITMENT, SCREENING, SELECTION, AND ASSIGNMENT OF ENROLLEES.

(a) STANDARDS AND PROCEDURES.—

(1) IN GENERAL.—The Secretary shall prescribe specific standards and procedures for the recruitment, screening, and selection of eligible applicants for the Job Corps, after considering recommendations from the Governors, local boards, and other interested parties.

(2) METHODS.—In prescribing standards and procedures under paragraph (1), the Secretary, at a minimum, shall—

(A) prescribe procedures for informing enrollees that drug tests will be administered to the enrollees and the results received within 45 days after the enrollees enroll in the Job Corps;

(B) establish standards for recruitment of Job Corps applicants;

(C) establish standards and procedures for—

(i) determining, for each applicant, whether the educational and vocational needs of the applicant can best be met through the Job Corps program or an alternative program in the community in which the applicant resides; and

(ii) obtaining from each applicant pertinent data relating to background, needs, and interests for determining eligibility and potential assignment;

(D) where appropriate, take measures to improve the professional capability of the individuals conducting screening of the applicants; and

(E) assure that an appropriate number of enrollees are from rural areas.

(3) IMPLEMENTATION.—To the extent practicable, the standards and procedures shall be implemented through arrangements with—

(A) applicable one-stop centers;

(B) community action agencies, business organizations, and labor organizations; and

(C) agencies and individuals that have contact with youth over substantial periods of time and are able to offer reliable information about the needs and problems of youth.

(4) CONSULTATION.—The standards and procedures shall provide for necessary consultation with individuals and organizations, including court, probation, parole, law enforcement, education, welfare, and medical authorities and advisers.

(5) REIMBURSEMENT.—The Secretary is authorized to enter into contracts with and make payments to individuals and organizations for the cost of conducting recruitment, screening, and selection of eligible applicants for the Job Corps, as provided for in this section. The Secretary shall make no payment to any individual or organization solely as compensation for referring the names of applicants for the Job Corps.

(b) SPECIAL LIMITATIONS ON SELECTION.—

(1) IN GENERAL.—No individual shall be selected as an enrollee unless the individual or organization implementing the standards and procedures described in subsection (a) determines that—

(A) there is a reasonable expectation that the individual considered for selection can participate successfully in group situations and activities, and is not likely to engage in behavior that would prevent other enrollees from receiving the benefit of the Job Corps program or be incompatible with the maintenance of sound discipline and satisfactory relationships between the Job Corps center to which the individual might be assigned and communities surrounding the Job Corps center;

(B) the individual manifests a basic understanding of both the rules to which the individual will be subject and of the consequences of failure to observe the rules; and

(C) the individual has passed a background check conducted in accordance with procedures established by the Secretary.

(2) INDIVIDUALS ON PROBATION, PAROLE, OR SUPERVISED RELEASE.—An individual on probation, parole, or supervised release may be selected as an enrollee only if release from the supervision of the probation or parole official involved is satisfactory to the official and the Secretary and does not violate applicable laws (including regulations). No individual shall be denied a position in the Job Corps solely on the basis of individual contact with the criminal justice system.

(c) ASSIGNMENT PLAN.—

(1) IN GENERAL.—Every 2 years, the Secretary shall develop and implement an assignment plan for assigning enrollees to Job Corps centers. In developing the plan, the Secretary shall, based on the analysis described in paragraph (2), establish targets, applicable to each Job Corps center, for—

(A) the maximum attainable percentage of enrollees at the Job Corps center that reside in the State in which the center is located; and

(B) the maximum attainable percentage of enrollees at the Job Corps center that reside in the region in which the center is located, and in surrounding regions.

(2) ANALYSIS.—In order to develop the plan described in paragraph (1), the Secretary shall, every 2 years, analyze, for the Job Corps center—

(A) the size of the population of individuals eligible to participate in Job Corps in the State and region in which the Job Corps center is located, and in surrounding regions;

(B) the relative demand for participation in the Job Corps in the State and region, and in surrounding regions; and

(C) the capacity and utilization of the Job Corps center, including services provided through the center.

(d) ASSIGNMENT OF INDIVIDUAL ENROLLEES.—

(1) IN GENERAL.—After an individual has been selected for the Job Corps in accordance with the standards and procedures of the Secretary under subsection (a), the enrollee shall be assigned to the Job Corps center that is closest to the home of the enrollee, except that the Secretary may waive this requirement if—

(A) the enrollee chooses a vocational training program, or requires an English literacy program, that is not available at such center;

(B) the enrollee would be unduly delayed in participating in the Job Corps program because the closest center is operating at full capacity; or

(C) the parent or guardian of the enrollee requests assignment of the enrollee to another Job Corps center due to circumstances in the community of the enrollee that would impair prospects for successful participation in the Job Corps program.

(2) ENROLLEES WHO ARE YOUNGER THAN 18.—An enrollee who is younger than 18 shall not be assigned to a Job Corps center other than the center closest to the home of the enrollee pursuant to paragraph (1) if the parent or guardian of the enrollee objects to the assignment.

SEC. 146. ENROLLMENT.

(a) RELATIONSHIP BETWEEN ENROLLMENT AND MILITARY OBLIGATIONS.—Enrollment in the Job Corps shall not relieve any individual of obligations under the Military Selective Service Act (50 U.S.C. App. 451 et seq.).

(b) PERIOD OF ENROLLMENT.—No individual may be enrolled in the Job Corps for more than 2 years, except—

(1) in a case in which completion of an advanced career training program under section 148(c) would require an individual to participate in the Job Corps for not more than 1 additional year; or

(2) as the Secretary may authorize in a special case.

SEC. 147. JOB CORPS CENTERS.

(a) OPERATORS AND SERVICE PROVIDERS.—

(1) ELIGIBLE ENTITIES.—

(A) OPERATORS.—The Secretary shall enter into an agreement with a Federal, State, or local agency, an area vocational education school or residential vocational school, or a private organization, for the operation of each Job Corps center.

(B) PROVIDERS.—The Secretary may enter into an agreement with a local entity to provide activities described in this subtitle to the Job Corps center.

(2) SELECTION PROCESS.—

(A) COMPETITIVE BASIS.—Except as provided in subsections (c) and (d) of section 303 of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 253), the Secretary shall select on a competitive basis an entity to operate a Job Corps center and entities to provide activities described in this subtitle to the Job Corps center. In developing a solicitation for an operator or service provider, the Secretary shall consult with the Governor of the State in which the center is located, the industry council for the Job Corps center (if established), and the applicable local board regarding the contents of such solicitation, including elements that will promote the consistency of the activities carried out through the center with the objectives set forth in the State plan or in a local plan.

(B) RECOMMENDATIONS AND CONSIDERATIONS.—

(i) OPERATORS.—In selecting an entity to operate a Job Corps center, the Secretary shall consider—

(I) the ability of the entity to coordinate the activities carried out through the Job Corps center with activities carried out under the appropriate State plan and local plans;

(II) the degree to which the vocational training that the entity proposes for the center reflects local employment opportunities in the local areas in which enrollees at the center intend to seek employment;

(III) the degree to which the entity is familiar with the surrounding communities, applicable one-stop centers, and the State and region in which the center is located; and

(IV) the past performance of the entity, if any, relating to operating or providing activities described in this subtitle to a Job Corps center.

(ii) PROVIDERS.—In selecting a service provider for a Job Corps center, the Secretary shall consider the factors described in subclauses (I) through (IV) of clause (i), as appropriate.

(b) CHARACTER AND ACTIVITIES.—Job Corps centers may be residential or nonresidential in character, and shall be designed and operated so as to provide enrollees, in a well-supervised setting, with access to activities described in this subtitle. In any year, no more than 20 percent of the individuals enrolled in the Job Corps may be nonresidential participants in the Job Corps.

(c) CIVILIAN CONSERVATION CENTERS.—

(1) IN GENERAL.—The Job Corps centers may include Civilian Conservation Centers operated under agreements with the Secretary of Agriculture or the Secretary of the Interior, located primarily in rural areas, which shall provide, in addition to other vocational training and assistance, programs of work experience to conserve, develop, or manage public natural resources or public recreational areas or to develop community projects in the public interest.

(2) SELECTION PROCESS.—The Secretary may select an entity to operate a Civilian Conservation Center on a competitive basis, as provided in subsection (a), if the center fails to meet such national performance standards as the Secretary shall establish.

(d) INDIAN TRIBES.—

(1) GENERAL AUTHORITY.—The Secretary may enter into agreements with Indian tribes to operate Job Corps centers for Indians.

(2) DEFINITIONS.—In this subsection, the terms ''Indian'' and ''Indian tribe'', have the meanings given such terms in subsections (d) and (e), respectively, of section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b).

SEC. 148. PROGRAM ACTIVITIES.

(a) ACTIVITIES PROVIDED BY JOB CORPS CENTERS.—

(1) IN GENERAL.—Each Job Corps center shall provide enrollees with an intensive, well organized, and fully supervised program of education, vocational training, work experience, recreational activities, physical rehabilitation and development, and counseling. Each Job Corps center shall provide enrollees assigned to the center with access to core services described in section 134(d)(2) and the intensive services described in section 134(d)(3).

(2) RELATIONSHIP TO OPPORTUNITIES.—

(A) IN GENERAL.—The activities provided under this subsection shall provide work-based learning throughout the enrollment of the enrollees and assist the enrollees in obtaining meaningful unsubsidized employment, participating in secondary education or postsecondary education programs, enrolling in other suitable vocational training programs, or satisfying Armed Forces requirements, on completion of their enrollment.

(B) LINK TO EMPLOYMENT OPPORTUNITIES.—The vocational training provided shall be linked to the employment opportunities in the local area in which the enrollee intends to seek employment after graduation.

(b) EDUCATION AND VOCATIONAL TRAINING.—The Secretary may arrange for education and vocational training of enrollees through local public or private educational agencies, vocational educational institutions, or technical institutes, whenever such entities provide education and training substantially equivalent in cost and quality to that which the Secretary could provide through other means.

(c) ADVANCED CAREER TRAINING PROGRAMS.—

(1) IN GENERAL.—The Secretary may arrange for programs of advanced career training for selected enrollees in which the enrollees may continue to participate for a period of not to exceed 1 year in addition to the period of participation to which the enrollees would otherwise be limited. The advanced career training may be provided through the eligible providers of training services identified under section 122.

(2) BENEFITS.—

(A) IN GENERAL.—During the period of participation in an advanced career training program, an enrollee shall be eligible for full Job Corps benefits, or a monthly stipend equal to the average value of the residential support, food, allowances, and other benefits provided to enrollees assigned to residential Job Corps centers.

(B) CALCULATION.—The total amount for which an enrollee shall be eligible under subparagraph (A) shall be reduced by the amount of any scholarship or other educational grant assistance received by such enrollee for advanced career training.

(3) DEMONSTRATION.—Each year, any operator seeking to enroll additional enrollees in an advanced career training program shall demonstrate that participants in such program have achieved a satisfactory rate of completion and placement in training-related jobs before the operator may carry out such additional enrollment.

(d) CONTINUED SERVICES.—The Secretary shall also provide continued services to graduates, including providing counseling regarding the workplace for 12 months after the date of graduation of the graduates. In selecting a provider for such services, the Secretary shall give priority to one-stop partners.

(e) CHILD CARE.—The Secretary shall, to the extent practicable, provide child care at or near Job Corps centers, for individuals who require child care for their children in order to participate in the Job Corps.

SEC. 149. COUNSELING AND JOB PLACEMENT.

(a) COUNSELING AND TESTING.—The Secretary shall arrange for counseling and testing for each enrollee at regular intervals to measure progress in the education and vocational training programs carried out through the Job Corps.

(b) PLACEMENT.—The Secretary shall arrange for counseling and testing for enrollees prior to their scheduled graduations to determine their capabilities and, based on their capabilities, shall make every effort to arrange to place the enrollees in jobs in the vocations for which the enrollees are trained or to assist the enrollees in obtaining further activities described in this subtitle. In arranging for the placement of graduates in jobs, the Secretary shall utilize the one-stop delivery system to the fullest extent possible.

(c) STATUS AND PROGRESS.—The Secretary shall determine the status and progress of enrollees scheduled for graduation and make every effort to assure that their needs for further activities described in this subtitle are met.

(d) SERVICES TO FORMER ENROLLEES.—The Secretary may provide such services as the Secretary determines to be appropriate under this subtitle to former enrollees.

SEC. 150. SUPPORT.

(a) PERSONAL ALLOWANCES.—The Secretary may provide enrollees assigned to Job Corps centers with such personal allowances as the Secretary may determine to be necessary or appropriate to meet the needs of the enrollees.

(b) READJUSTMENT ALLOWANCES.—

(1) GRADUATES.—The Secretary shall arrange for a readjustment allowance to be paid to graduates. The Secretary shall arrange for the allowance to be paid at the one-stop center nearest to the home of the graduate who is returning home, or at the one-stop center nearest to the location where the graduate has indicated an intent to seek employment. If the Secretary uses any organization, in lieu of a one-stop center, to provide placement services under this Act, the Secretary shall arrange for that organization to pay the readjustment allowance.

(2) FORMER ENROLLEES.—The Secretary may provide for a readjustment allowance to be paid to former enrollees. The provision of the readjustment allowance shall be subject to the same requirements as are applicable to the provision of the readjustment allowance paid to graduates under paragraph (1).

SEC. 151. OPERATING PLAN.

(a) IN GENERAL.—The provisions of the contract between the Secretary and an entity selected to operate a Job Corps center shall, at a minimum, serve as an operating plan for the Job Corps center.

(b) ADDITIONAL INFORMATION.—The Secretary may require the operator, in order to remain eligible to operate the Job Corps center, to submit such additional information as the Secretary may require, which shall be considered part of the operating plan.

(c) AVAILABILITY.—The Secretary shall make the operating plan described in subsections (a) and (b), excluding any proprietary information, available to the public.

SEC. 152. STANDARDS OF CONDUCT.

(a) PROVISION AND ENFORCEMENT.—The Secretary shall provide, and directors of Job Corps centers shall stringently enforce, standards of conduct within the centers. Such standards of conduct shall include provisions forbidding the actions described in subsection (b)(2)(A).

(b) DISCIPLINARY MEASURES.—

(1) IN GENERAL.—To promote the proper moral and disciplinary conditions in the Job Corps, the directors of Job Corps centers shall take appropriate disciplinary measures against enrollees. If such a director determines that an enrollee has committed a violation of the standards of conduct, the director shall dismiss the enrollee from the Job Corps if the director determines that the retention of the enrollee in the Job Corps will jeopardize the enforcement of such standards or diminish the opportunities of other enrollees.

(2) ZERO TOLERANCE POLICY AND DRUG TESTING.—

(A) GUIDELINES.—The Secretary shall adopt guidelines establishing a zero tolerance policy for an act of violence, for use, sale, or possession of a controlled substance, for abuse of alcohol, or for other illegal or disruptive activity.

(B) DRUG TESTING.—The Secretary shall require drug testing of all enrollees for controlled substances in accordance with procedures prescribed by the Secretary under section 145(a).

(C) DEFINITIONS.—In this paragraph:

(i) CONTROLLED SUBSTANCE.—The term ''controlled substance'' has the meaning given the term in section 102 of the Controlled Substances Act (21 U.S.C. 802).

(ii) ZERO TOLERANCE POLICY.—The term ''zero tolerance policy'' means a policy under which an enrollee shall be automatically dismissed from the Job Corps after a determination by the director that the enrollee has carried out an action described in subparagraph (A).

(c) APPEAL.—A disciplinary measure taken by a director under this section shall be subject to expeditious appeal in accordance with procedures established by the Secretary.

SEC. 153. COMMUNITY PARTICIPATION.

(a) BUSINESS AND COMMUNITY LIAISON.—Each Job Corps center shall have a Business and Community Liaison (referred to in this Act as a ''Liaison''), designated by the director of the center.

(b) RESPONSIBILITIES.—The responsibilities of the Liaison shall include—

(1) establishing and developing relationships and networks with—

(A) local and distant employers; and

(B) applicable one-stop centers and applicable local boards,

for the purpose of providing job opportunities for Job Corps graduates; and

(2) establishing and developing relationships with members of the community in which the Job Corps center is located, informing members of the community about the projects of the Job Corps center and changes in the rules, procedures, or activities of the center that may affect the community, and planning events of mutual interest to the community and the Job Corps center.

(c) NEW CENTERS.—The Liaison for a Job Corps center that is not yet operating shall establish and develop the relationships and networks described in subsection (b) at least 3 months prior to the date on which the center accepts the first enrollee at the center.

SEC. 154. INDUSTRY COUNCILS.

(a) IN GENERAL.—Each Job Corps center shall have an industry council, appointed by the director of the center after consultation with the Liaison, in accordance with procedures established by the Secretary.

(b) INDUSTRY COUNCIL COMPOSITION.—

(1) IN GENERAL.—An industry council shall be comprised of—

(A) a majority of members who shall be local and distant owners of business concerns, chief executives or chief operating officers of nongovernmental employers, or other private sector employers, who—

(i) have substantial management, hiring, or policy responsibility; and

(ii) represent businesses with employment opportunities that reflect the employment opportunities of the applicable local area;

(B) representatives of labor organizations (where present) and representatives of employees; and

(C) enrollees and graduates of the Job Corps.

(2) LOCAL BOARD.—The industry council may include members of the applicable local boards who meet the requirements described in paragraph (1).

(c) RESPONSIBILITIES.—The responsibilities of the industry council shall be—

(1) to work closely with all applicable local boards in order to determine, and recommend to the Secretary, appropriate vocational training for the center;

(2) to review all the relevant labor market information to—

(A) determine the employment opportunities in the local areas in which the enrollees intend to seek employment after graduation;

(B) determine the skills and education that are necessary to obtain the employment opportunities; and

(C) recommend to the Secretary the type of vocational training that should be implemented at the center to enable the enrollees to obtain the employment opportunities; and

(3) to meet at least once every 6 months to reevaluate the labor market information, and other relevant information, to determine, and recommend to the Secretary, any necessary changes in the vocational training provided at the center.

(d) NEW CENTERS.—The industry council for a Job Corps center that is not yet operating shall carry out the responsibilities described in subsection (c) at least 3 months prior to the date on which the center accepts the first enrollee at the center.

SEC. 155. ADVISORY COMMITTEES.

The Secretary may establish and use advisory committees in connection with the operation of the Job Corps program, and the operation of Job Corps centers, whenever the Secretary determines that the availability of outside advice and counsel on a regular basis would be of substantial benefit in identifying and overcoming problems, in planning program or center development, or in strengthening relationships between the Job Corps and agencies, institutions, or groups engaged in related activities.

SEC. 156. EXPERIMENTAL, RESEARCH, AND DEMONSTRATION PROJECTS.

The Secretary may carry out experimental, research, or demonstration projects relating to carrying out the Job Corps program and may waive any provisions of this subtitle that the Secretary finds would prevent the Secretary from carrying out the projects.

SEC. 157. APPLICATION OF PROVISIONS OF FEDERAL LAW.

(a) ENROLLEES NOT CONSIDERED TO BE FEDERAL EMPLOYEES.—

(1) IN GENERAL.—Except as otherwise provided in this subsection and in section 8143(a) of title 5, United States Code, enrollees shall not be considered to be Federal employees and shall not be subject to the provisions of law relating to Federal employment, including such provisions regarding hours of work, rates of compensation, leave, unemployment compensation, and Federal employee benefits.

(2) PROVISIONS RELATING TO TAXES AND SOCIAL SECURITY BENEFITS.—For purposes of the Internal Revenue Code of 1986 and title II of the Social Security Act (42 U.S.C. 401 et seq.), enrollees shall be deemed to be employees of the United States and any service performed by an individual as an enrollee shall be deemed to be performed in the employ of the United States.

(3) PROVISIONS RELATING TO COMPENSATION TO FEDERAL EMPLOYEES FOR WORK INJURIES.—For purposes of subchapter I of chapter 81 of title 5, United States Code (relating to compensation to Federal employees for work injuries), enrollees shall be deemed to be civil employees of the Government of the United States within the meaning of the term ''employee'' as defined in section 8101 of title 5, United States Code, and the provisions of such subchapter shall apply as specified in section 8143(a) of title 5, United States Code.

(4) FEDERAL TORT CLAIMS PROVISIONS.—For purposes of the Federal tort claims provisions in title 28, United States Code, enrollees shall be considered to be employees of the Government.

(b) ADJUSTMENTS AND SETTLEMENTS.—Whenever the Secretary finds a claim for damages to

a person or property resulting from the operation of the Job Corps to be a proper charge against the United States, and the claim is not cognizable under section 2672 of title 28, United States Code, the Secretary may adjust and settle the claim in an amount not exceeding $1,500.

(c) PERSONNEL OF THE UNIFORMED SERVICES.—Personnel of the uniformed services who are detailed or assigned to duty in the performance of agreements made by the Secretary for the support of the Job Corps shall not be counted in computing strength under any law limiting the strength of such services or in computing the percentage authorized by law for any grade in such services.

SEC. 158. SPECIAL PROVISIONS.

(a) ENROLLMENT.—The Secretary shall ensure that women and men have an equal opportunity to participate in the Job Corps program, consistent with section 145.

(b) STUDIES, EVALUATIONS, PROPOSALS, AND DATA.—The Secretary shall assure that all studies, evaluations, proposals, and data produced or developed with Federal funds in the course of carrying out the Job Corps program shall become the property of the United States.

(c) TRANSFER OF PROPERTY.—

(1) IN GENERAL.—Notwithstanding title II of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 481 et seq.) and any other provision of law, the Secretary and the Secretary of Education shall receive priority by the Secretary of Defense for the direct transfer, on a nonreimbursable basis, of the property described in paragraph (2) for use in carrying out programs under this Act or under any other Act.

(2) PROPERTY.—The property described in this paragraph is real and personal property under the control of the Department of Defense that is not used by such Department, including property that the Secretary of Defense determines is in excess of current and projected requirements of such Department.

(d) GROSS RECEIPTS.—Transactions conducted by a private for-profit or nonprofit entity that is an operator or service provider for a Job Corps center shall not be considered to be generating gross receipts. Such an operator or service provider shall not be liable, directly or indirectly, to any State or subdivision of a State (nor to any person acting on behalf of such a State or subdivision) for any gross receipts taxes, business privilege taxes measured by gross receipts, or any similar taxes imposed on, or measured by, gross receipts in connection with any payments made to or by such entity for operating or providing services to a Job Corps center. Such an operator or service provider shall not be liable to any State or subdivision of a State to collect or pay any sales, excise, use, or similar tax imposed on the sale to or use by such operator or service provider of any property, service, or other item in connection with the operation of or provision of services to a Job Corps center.

(e) MANAGEMENT FEE.—The Secretary shall provide each operator and (in an appropriate case, as determined by the Secretary) service provider with an equitable and negotiated management fee of not less than 1 percent of the amount of the funding provided under the appropriate agreement specified in section 147.

(f) DONATIONS.—The Secretary may accept on behalf of the Job Corps or individual Job Corps centers charitable donations of cash or other assistance, including equipment and materials, if such donations are available for appropriate use for the purposes set forth in this subtitle.

(g) SALE OF PROPERTY.—Notwithstanding any other provision of law, if the Administrator of General Services sells a Job Corps center facility, the Administrator shall transfer the proceeds from the sale to the Secretary, who shall use the proceeds to carry out the Job Corps program.

SEC. 159. MANAGEMENT INFORMATION.

(a) FINANCIAL MANAGEMENT INFORMATION SYSTEM.—

(1) IN GENERAL.—The Secretary shall establish procedures to ensure that each operator, and each service provider, maintains a financial management information system that will provide—

(A) accurate, complete, and current disclosures of the costs of Job Corps operations; and

(B) sufficient data for the effective evaluation of activities carried out through the Job Corps program.

(2) ACCOUNTS.—Each operator and service provider shall maintain funds received under this subtitle in accounts in a manner that ensures timely and accurate reporting as required by the Secretary.

(3) FISCAL RESPONSIBILITY.—Operators shall remain fiscally responsible and control costs, regardless of whether the funds made available for Job Corps centers are incrementally increased or decreased between fiscal years.

(b) AUDIT.—

(1) ACCESS.—The Secretary, the Inspector General of the Department of Labor, the Comptroller General of the United States, and any of their duly authorized representatives, shall have access to any books, documents, papers, and records of the operators and service providers described in subsection (a) that are pertinent to the Job Corps program, for purposes of conducting surveys, audits, and evaluations of the operators and service providers.

(2) SURVEYS, AUDITS, AND EVALUATIONS.—The Secretary shall survey, audit, or evaluate, or arrange for the survey, audit, or evaluation of, the operators and service providers, using Federal auditors or independent public accountants. The Secretary shall conduct such surveys, audits, or evaluations not less often than once every 3 years.

(c) INFORMATION ON INDICATORS OF PERFORMANCE.—

(1) ESTABLISHMENT.—The Secretary shall, with continuity and consistency from year to year, establish indicators of performance, and expected levels of performance for Job Corps centers and the Job Corps program, relating to—

(A) the number of graduates and the rate of such graduation, analyzed by type of vocational training received through the Job Corps program and by whether the vocational training was provided by a local or national service provider;

(B) the number of graduates who entered unsubsidized employment related to the vocational training received through the Job Corps program and the number who entered unsubsidized employment not related to the vocational training received, analyzed by whether the vocational training was provided by a local or national service provider and by whether the placement in the employment was conducted by a local or national service provider;

(C) the average wage received by graduates who entered unsubsidized employment related to the vocational training received through the Job Corps program and the average wage received by graduates who entered unsubsidized employment unrelated to the vocational training received;

(D) the average wage received by graduates placed in unsubsidized employment after completion of the Job Corps program—

(i) on the first day of the employment;

(ii) 6 months after the first day of the employment; and

(iii) 12 months after the first day of the employment,

analyzed by type of vocational training received through the Job Corps program;

(E) the number of graduates who entered unsubsidized employment and were retained in the unsubsidized employment—

(i) 6 months after the first day of the employment; and

(ii) 12 months after the first day of the employment;

(F) the number of graduates who entered unsubsidized employment—

(i) for 32 hours per week or more;

(ii) for not less than 20 but less than 32 hours per week; and

(iii) for less than 20 hours per week;

(G) the number of graduates who entered postsecondary education or advanced training programs, including apprenticeship programs, as appropriate; and

(H) the number of graduates who attained job readiness and employment skills.

(2) PERFORMANCE OF RECRUITERS.—The Secretary shall also establish performance measures, and expected performance levels on the performance measures, for local and national recruitment service providers serving the Job Corps program. The performance measures shall relate to the number of enrollees retained in the Job Corps program for 30 days and for 60 days after initial placement in the program.

(3) REPORT.—The Secretary shall collect, and annually submit a report to the appropriate committees of Congress containing, information on the performance of each Job Corps center, and the Job Corps program, on the core performance measures, as compared to the expected performance level for each performance measure. The report shall also contain information on the performance of the service providers described in paragraph (2) on the performance measures established under such paragraph, as compared to the expected performance levels for the performance measures.

(d) ADDITIONAL INFORMATION.—The Secretary shall also collect, and submit in the report described in subsection (c), information on the performance of each Job Corps center, and the Job Corps program, regarding—

(1) the number of enrollees served;

(2) the average level of learning gains for graduates and former enrollees;

(3) the number of former enrollees and graduates who entered the Armed Forces;

(4) the number of former enrollees who entered postsecondary education;

(5) the number of former enrollees who entered unsubsidized employment related to the vocational training received through the Job Corps program and the number who entered unsubsidized employment not related to the vocational training received;

(6) the number of former enrollees and graduates who obtained a secondary school diploma or its recognized equivalent;

(7) the number and percentage of dropouts from the Job Corps program including the number dismissed under the zero tolerance policy described in section 152(b); and

(8) any additional information required by the Secretary.

(e) METHODS.—The Secretary may collect the information described in subsections (c) and (d) using methods described in section 136(f)(2) consistent with State law.

(f) PERFORMANCE ASSESSMENTS AND IMPROVEMENTS.—

(1) ASSESSMENTS.—The Secretary shall conduct an annual assessment of the performance of each Job Corps center. Based on the assessment, the Secretary shall take measures to continuously improve the performance of the Job Corps program.

(2) PERFORMANCE IMPROVEMENT PLANS.—With respect to a Job Corps center that fails to meet the expected levels of performance relating to the core performance measures specified in subsection (c), the Secretary shall develop and implement a performance improvement plan. Such a plan shall require action including—

(A) providing technical assistance to the center;

(B) changing the vocational training offered at the center;

(C) changing the management staff of the center;

(D) replacing the operator of the center;

(E) reducing the capacity of the center;

(F) relocating the center; or

(G) closing the center.

(3) ADDITIONAL PERFORMANCE IMPROVEMENT PLANS.—In addition to the performance improvement plans required under paragraph (2), the Secretary may develop and implement additional performance improvement plans. Such a plan shall require improvements, including the actions described in paragraph (2), for a Job Corps center that fails to meet criteria established by the Secretary other than the expected levels of performance described in paragraph (2).

(g) CLOSURE OF JOB CORPS CENTER.—Prior to the closure of any Job Corps center, the Secretary shall ensure—

(1) that the proposed decision to close the center is announced in advance to the general public through publication in the Federal Register or other appropriate means;

(2) the establishment of a reasonable comment period, not to exceed 30 days, for interested individuals to submit written comments to the Secretary; and

(3) that the Member of Congress who represents the district in which such center is located is notified within a reasonable period of time in advance of any final decision to close the center.

SEC. 160. GENERAL PROVISIONS.

The Secretary is authorized to—

(1) disseminate, with regard to the provisions of section 3204 of title 39, United States Code, data and information in such forms as the Secretary shall determine to be appropriate, to public agencies, private organizations, and the general public;

(2) subject to section 157(b), collect or compromise all obligations to or held by the Secretary and exercise all legal or equitable rights accruing to the Secretary in connection with the payment of obligations until such time as such obligations may be referred to the Attorney General for suit or collection; and

(3) expend funds made available for purposes of this subtitle—

(A) for printing and binding, in accordance with applicable law (including regulation); and

(B) without regard to any other law (including regulation), for rent of buildings and space in buildings and for repair, alteration, and improvement of buildings and space in buildings rented by the Secretary, except that the Secretary shall not expend funds under the authority of this subparagraph—

(i) except when necessary to obtain an item, service, or facility, that is required in the proper administration of this subtitle, and that otherwise could not be obtained, or could not be obtained in the quantity or quality needed, or at the time, in the form, or under the conditions in which the item, service, or facility is needed; and

(ii) prior to having given written notification to the Administrator of General Services (if the expenditure would affect an activity that otherwise would be under the jurisdiction of the General Services Administration) of the intention of the Secretary to make the expenditure, and the reasons and justifications for the expenditure.

SEC. 161. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to carry out this subtitle such sums as may be necessary for each of the fiscal years 1999 through 2003.

Subtitle D—National Programs

SEC. 166. NATIVE AMERICAN PROGRAMS.

(a) PURPOSE.—

(1) IN GENERAL.—The purpose of this section is to support employment and training activities for Indian, Alaska Native, and Native Hawaiian individuals in order—

(A) to develop more fully the academic, occupational, and literacy skills of such individuals;

(B) to make such individuals more competitive in the workforce; and

(C) to promote the economic and social development of Indian, Alaska Native, and Native Hawaiian communities in accordance with the goals and values of such communities.

(2) INDIAN POLICY.—All programs assisted under this section shall be administered in a manner consistent with the principles of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450 et seq.) and the government-to-government relationship between the Federal Government and Indian tribal governments.

(b) DEFINITIONS.—As used in this section:

(1) ALASKA NATIVE.—The term ''Alaska Native'' means a Native as such term is defined in section 3(b) of the Alaska Native Claims Settlement Act (43 U.S.C. 1602(b)).

(2) INDIAN, INDIAN TRIBE, AND TRIBAL ORGANIZATION.—The terms ''Indian'', ''Indian tribe'', and ''tribal organization'' have the meanings given such terms in subsections (d), (e), and (l), respectively, of section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b).

(3) NATIVE HAWAIIAN AND NATIVE HAWAIIAN ORGANIZATION.—The terms ''Native Hawaiian'' and ''Native Hawaiian organization'' have the meanings given such terms in paragraphs (1) and (3), respectively, of section 9212 of the Native Hawaiian Education Act (20 U.S.C. 7912).

(c) PROGRAM AUTHORIZED.—

(1) IN GENERAL.—The Secretary shall, on a competitive basis, make grants to, or enter into contracts or cooperative agreements with, Indian tribes, tribal organizations, Alaska Native entities, Indian-controlled organizations serving Indians, or Native Hawaiian organizations to carry out the authorized activities described in subsection (d).

(2) EXCEPTION.—The competition for grants, contracts, or cooperative agreements conducted under paragraph (1) shall be conducted every 2 years, except that if a recipient of such a grant, contract, or agreement has performed satisfactorily, the Secretary may waive the requirements for such competition on receipt from the recipient of a satisfactory 2-year program plan for the succeeding 2-year period of the grant, contract, or agreement.

(d) AUTHORIZED ACTIVITIES.—

(1) IN GENERAL.—Funds made available under subsection (c) shall be used to carry out the activities described in paragraph (2) that—

(A) are consistent with this section; and

(B) are necessary to meet the needs of Indians or Native Hawaiians preparing to enter, reenter, or retain unsubsidized employment.

(2) WORKFORCE INVESTMENT ACTIVITIES AND SUPPLEMENTAL SERVICES.—

(A) IN GENERAL.—Funds made available under subsection (c) shall be used for—

(i) comprehensive workforce investment activities for Indians or Native Hawaiians; or

(ii) supplemental services for Indian or Native Hawaiian youth on or near Indian reservations and in Oklahoma, Alaska, or Hawaii.

(B) SPECIAL RULE.—Notwithstanding any other provision of this section, individuals who were eligible to participate in programs under section 401 of the Job Training Partnership Act (29 U.S.C. 1671) (as such section was in effect on the day before the date of enactment of this Act) shall be eligible to participate in an activity assisted under this section.

(e) PROGRAM PLAN.—In order to receive a grant or enter into a contract or cooperative agreement under this section an entity described in subsection (c) shall submit to the Secretary a program plan that describes a 2-year strategy for meeting the needs of Indian, Alaska Native, or Native Hawaiian individuals, as appropriate, in the area served by such entity. Such plan shall—

(1) be consistent with the purpose of this section;

(2) identify the population to be served;

(3) identify the education and employment needs of the population to be served and the manner in which the activities to be provided will strengthen the ability of the individuals served to obtain or retain unsubsidized employment;

(4) describe the activities to be provided and the manner in which such activities are to be integrated with other appropriate activities; and

(5) describe, after the entity submitting the plan consults with the Secretary, the performance measures to be used to assess the performance of entities in carrying out the activities assisted under this section.

(f) CONSOLIDATION OF FUNDS.—Each entity receiving assistance under subsection (c) may consolidate such assistance with assistance received from related programs in accordance with the provisions of the Indian Employment, Training and Related Services Demonstration Act of 1992 (25 U.S.C. 3401 et seq.).

(g) NONDUPLICATIVE AND NONEXCLUSIVE SERVICES.—Nothing in this section shall be construed—

(1) to limit the eligibility of any entity described in subsection (c) to participate in any activity offered by a State or local entity under this Act; or

(2) to preclude or discourage any agreement, between any entity described in subsection (c) and any State or local entity, to facilitate the provision of services by such entity or to the population served by such entity.

(h) ADMINISTRATIVE PROVISIONS.—

(1) ORGANIZATIONAL UNIT ESTABLISHED.—The Secretary shall designate a single organizational unit within the Department of Labor that shall have primary responsibility for the administration of the activities authorized under this section.

(2) REGULATIONS.—The Secretary shall consult with the entities described in subsection (c) in—

(A) establishing regulations to carry out this section, including performance measures for entities receiving assistance under such subsection, taking into account the economic circumstances of such entities; and

(B) developing a funding distribution plan that takes into consideration previous levels of funding (prior to the date of enactment of this Act) to such entities.

(3) WAIVERS.—

(A) IN GENERAL.—With respect to an entity described in subsection (c), the Secretary, notwithstanding any other provision of law, may, pursuant to a request submitted by such entity that meets the requirements established under paragraph (2), waive any of the statutory or regulatory requirements of this title that are inconsistent with the specific needs of the entities described in such subsection, except that the Secretary may not waive requirements relating to wage and labor standards, worker rights, participation and protection of workers and participants, grievance procedures, and judicial review.

(B) REQUEST AND APPROVAL.—An entity described in subsection (c) that requests a waiver under subparagraph (A) shall submit a plan to the Secretary to improve the program of workforce investment activities carried out by the entity, which plan shall meet the requirements established by the Secretary and shall be generally consistent with the requirements of section 189(i)(4)(B).

(4) ADVISORY COUNCIL.—

(A) IN GENERAL.—Using funds made available to carry out this section, the Secretary shall establish a Native American Employment and Training Council to facilitate the consultation described in paragraph (2).

(B) COMPOSITION.—The Council shall be composed of individuals, appointed by the Secretary, who are representatives of the entities described in subsection (c).

(C) DUTIES.—The Council shall advise the Secretary on all aspects of the operation and administration of the programs assisted under this section, including the selection of the individual appointed as the head of the unit established under paragraph (1).

(D) PERSONNEL MATTERS.—

(i) COMPENSATION OF MEMBERS.—Members of the Council shall serve without compensation.

(ii) TRAVEL EXPENSES.—The members of the Council shall be allowed travel expenses, including per diem in lieu of subsistence, at rates authorized for employees of agencies under subchapter I of chapter 57 of title 5, United States Code, while away from their homes or regular places of business in the performance of services for the Council.

(iii) ADMINISTRATIVE SUPPORT.—The Secretary shall provide the Council with such administrative support as may be necessary to perform the functions of the Council.

(E) CHAIRPERSON.—The Council shall select a chairperson from among its members.

(F) MEETINGS.—The Council shall meet not less than twice each year.

(G) APPLICATION.—Section 14 of the Federal Advisory Committee Act (5 U.S.C. App.) shall not apply to the Council.

(5) TECHNICAL ASSISTANCE.—The Secretary, acting through the unit established under paragraph (1), is authorized to provide technical assistance to entities described in subsection (c) that receive assistance under subsection (c) to enable such entities to improve the activities authorized under this section that are provided by such entities.

(6) AGREEMENT FOR CERTAIN FEDERALLY-RECOGNIZED INDIAN TRIBES TO TRANSFER FUNDS TO THE PROGRAM.—A federally-recognized Indian tribe that administers funds provided under this section and funds provided by more than 1 State under other sections of this title may enter into an agreement with the Secretary and the Governors of the affected States to transfer the funds provided by the States to the program administered by the tribe under this section.

(i) COMPLIANCE WITH SINGLE AUDIT REQUIREMENTS; RELATED REQUIREMENT.—Grants, contracts, and cooperative agreements entered into under this section shall be subject to the requirements of chapter 75 of subtitle V of title 31, United States Code (enacted by the Single Audit Act of 1984) and charging of costs under this section shall be subject to appropriate circulars issued by the Office of Management and Budget.

(j) ASSISTANCE TO AMERICAN SAMOANS IN HAWAII.—

(1) IN GENERAL.—Notwithstanding any other provision of law, the Secretary is authorized to provide assistance to American Samoans who reside in Hawaii for the co-location of federally-funded and State-funded workforce investment activities.

(2) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated for fiscal year 1999 such sums as may be necessary to carry out this subsection.

SEC. 167. MIGRANT AND SEASONAL FARMWORKER PROGRAMS.

(a) IN GENERAL.—Every 2 years, the Secretary shall, on a competitive basis, make grants to, or enter into contracts with, eligible entities to carry out the activities described in subsection (d).

(b) ELIGIBLE ENTITIES.—To be eligible to receive a grant or enter into a contract under this section, an entity shall have an understanding of the problems of eligible migrant and seasonal farmworkers (including dependents), a familiarity with the area to be served, and the ability to demonstrate a capacity to administer effectively a diversified program of workforce investment activities (including youth activities) and related assistance for eligible migrant and seasonal farmworkers.

(c) PROGRAM PLAN.—

(1) IN GENERAL.—To be eligible to receive a grant or enter into a contract under this section, an entity described in subsection (b) shall submit to the Secretary a plan that describes a 2-year strategy for meeting the needs of eligible migrant and seasonal farmworkers in the area to be served by such entity.

(2) CONTENTS.—Such plan shall—

(A) identify the education and employment needs of the population to be served and the manner in which the services to be provided will strengthen the ability of the eligible migrant and seasonal farmworkers and dependents to obtain or retain unsubsidized employment or stabilize their unsubsidized employment;

(B) describe the related assistance and supportive services to be provided and the manner in which such assistance and services are to be integrated and coordinated with other appropriate services; and

(C) describe the indicators of performance to be used to assess the performance of such entity in carrying out the activities assisted under this section.

(3) ADMINISTRATION.—Grants and contracts awarded under this section shall be centrally administered by the Department of Labor and competitively awarded by the Secretary using procedures consistent with standard Federal Government competitive procurement policies.

(4) COMPETITION.—

(A) IN GENERAL.—The competition for grants made and contracts entered into under this section shall be conducted every 2 years.

(B) EXCEPTION.—Notwithstanding subparagraph (A), if a recipient of such a grant or contract has performed satisfactorily under the terms of the grant agreement or contract, the Secretary may waive the requirement for such competition for such recipient upon receipt from the recipient of a satisfactory 2-year plan described in paragraph (1) for the succeeding 2-year grant or contract period. The Secretary may exercise the waiver authority of the preceding sentence not more than once during any 4-year period with respect any single recipient.

(d) AUTHORIZED ACTIVITIES.—Funds made available under this section shall be used to carry out workforce investment activities (including youth activities) and provide related assistance for eligible migrant and seasonal farmworkers, which may include employment, training, educational assistance, literacy assistance, an English language program, worker safety training, housing, supportive services, dropout prevention activities, follow-up services for those individuals placed in employment, self-employment and related business enterprise development education as needed by eligible migrant and seasonal farmworkers and identified pursuant to the plan required by subsection (c), and technical assistance relating to capacity enhancement in such areas as management information technology.

(e) CONSULTATION WITH GOVERNORS AND LOCAL BOARDS.—In making grants and entering into contracts under this section, the Secretary shall consult with the Governors and local boards of the States in which the eligible entities will carry out the activities described in subsection (d).

(f) REGULATIONS.—The Secretary shall consult with eligible migrant and seasonal farmworkers groups and States in establishing regulations to carry out this section, including performance measures for eligible entities that take into account the economic circumstances and demographics of eligible migrant and seasonal farmworkers.

(g) COMPLIANCE WITH SINGLE AUDIT REQUIREMENTS; RELATED REQUIREMENT.—Grants and contracts entered into under this section shall be subject to the requirements of chapter 75 of subtitle V of title 31, United States Code (enacted by the Single Audit Act of 1984) and charging of costs under this section shall be subject to appropriate circulars issued by the Office of Management and Budget.

(h) DEFINITIONS.—In this section:

(1) DISADVANTAGED.—The term ''disadvantaged'', used with respect to a farmworker, means a farmworker whose income, for 12 consecutive months out of the 24 months prior to application for the program involved, does not exceed the higher of—

(A) the poverty line (as defined in section 334(a)(2)(B)) for an equivalent period; or

(B) 70 percent of the lower living standard income level, for an equivalent period.

(2) ELIGIBLE MIGRANT AND SEASONAL FARMWORKERS.—The term ''eligible migrant and seasonal farmworkers'' means individuals who are eligible migrant farmworkers or are eligible seasonal farmworkers.

(3) ELIGIBLE MIGRANT FARMWORKER.—The term ''eligible migrant farmworker'' means—

(A) an eligible seasonal farmworker described in paragraph (4)(A) whose agricultural labor requires travel to a job site such that the farmworker is unable to return to a permanent place of residence within the same day; and

(B) a dependent of the farmworker described in subparagraph (A).

(4) ELIGIBLE SEASONAL FARMWORKER.—The term ''eligible seasonal farmworker'' means—

(A) a disadvantaged person who, for 12 consecutive months out of the 24 months prior to application for the program involved, has been primarily employed in agricultural labor that is characterized by chronic unemployment or underemployment; and

(B) a dependent of the person described in subparagraph (A).

SEC. 168. VETERANS' WORKFORCE INVESTMENT PROGRAMS.

(a) AUTHORIZATION.—

(1) IN GENERAL.—The Secretary shall conduct, directly or through grants or contracts, programs to meet the needs for workforce investment activities of veterans with service-connected disabilities, veterans who have significant barriers to employment, veterans who served on active duty in the armed forces during a war or in a campaign or expedition for which a campaign badge has been authorized, and recently separated veterans.

(2) CONDUCT OF PROGRAMS.—Programs supported under this section may be conducted through grants and contracts with public agencies and private nonprofit organizations, including recipients of Federal assistance under other provisions of this title, that the Secretary determines have an understanding of the unemployment problems of veterans described in paragraph (1), familiarity with the area to be served, and the capability to administer effectively a program of workforce investment activities for such veterans.

(3) REQUIRED ACTIVITIES.—Programs supported under this section shall include—

(A) activities to enhance services provided to veterans by other providers of workforce investment activities funded by Federal, State, or local government;

(B) activities to provide workforce investment activities to such veterans that are not adequately provided by other public providers of workforce investment activities; and

(C) outreach and public information activities to develop and promote maximum job and job training opportunities for such veterans and to inform such veterans about employment, job training, on-the-job training and educational opportunities under this title, under title 38, United States Code, and under other provisions of law, which activities shall be coordinated with activities provided through the one-stop centers described in section 134(c).

(b) ADMINISTRATION OF PROGRAMS.—

(1) IN GENERAL.—The Secretary shall administer programs supported under this section through the Assistant Secretary for Veterans' Employment and Training.

(2) ADDITIONAL RESPONSIBILITIES.—In carrying out responsibilities under this section, the Assistant Secretary for Veterans' Employment and Training shall—

(A) be responsible for the awarding of grants and contracts and the distribution of funds under this section and for the establishment of appropriate fiscal controls, accountability, and program performance measures for recipients of grants and contracts under this section; and

(B) consult with the Secretary of Veterans Affairs and take steps to ensure that programs supported under this section are coordinated, to the maximum extent feasible, with related programs and activities conducted under title 38,

United States Code, including programs and activities conducted under subchapter II of chapter 77 of such title, chapters 30, 31, 32, and 34 of such title, and sections 1712A, 1720A, 3687, and 4103A of such title.

SEC. 169. YOUTH OPPORTUNITY GRANTS.

(a) GRANTS.—

(1) IN GENERAL.—Using funds made available under section 127(b)(1)(A), the Secretary shall make grants to eligible local boards and eligible entities described in subsection (d) to provide activities described in subsection (b) for youth to increase the long-term employment of youth who live in empowerment zones, enterprise communities, and high poverty areas and who seek assistance.

(2) DEFINITION.—In this section, the term ''youth'' means an individual who is not less than age 14 and not more than age 21.

(3) GRANT PERIOD.—The Secretary may make a grant under this section for a 1-year period, and may renew the grant for each of the 4 succeeding years.

(4) GRANT AWARDS.—In making grants under this section, the Secretary shall ensure that grants are distributed equitably among local boards and entities serving urban areas and local boards and entities serving rural areas, taking into consideration the poverty rate in such urban and rural areas, as described in subsection (c)(3)(B).

(b) USE OF FUNDS.—

(1) IN GENERAL.—A local board or entity that receives a grant under this section shall use the funds made available through the grant to provide activities that meet the requirements of section 129, except as provided in paragraph (2), as well as youth development activities such as activities relating to leadership development, citizenship, and community service, and recreation activities.

(2) INTENSIVE PLACEMENT AND FOLLOWUP SERVICES.—In providing activities under this section, a local board or entity shall provide—

(A) intensive placement services; and

(B) followup services for not less than 24 months after the completion of participation in the other activities described in this subsection, as appropriate.

(c) ELIGIBLE LOCAL BOARDS.—To be eligible to receive a grant under this section, a local board shall serve a community that—

(1) has been designated as an empowerment zone or enterprise community under section 1391 of the Internal Revenue Code of 1986;

(2)(A) is a State without a zone or community described in paragraph (1); and

(B) has been designated as a high poverty area by the Governor of the State; or

(3) is 1 of 2 areas in a State that—

(A) have been designated by the Governor as areas for which a local board may apply for a grant under this section; and

(B) meet the poverty rate criteria set forth in subsections (a)(4), (b), and (d) of section 1392 of the Internal Revenue Code of 1986.

(d) ELIGIBLE ENTITIES.—To be eligible to receive a grant under this section, an entity (other than a local board) shall—

(1) be a recipient of financial assistance under section 166; and

(2) serve a community that—

(A) meets the poverty rate criteria set forth in subsections (a)(4), (b), and (d) of section 1392 of the Internal Revenue Code of 1986; and

(B) is located on an Indian reservation or serves Oklahoma Indians or Alaska Native villages or Native groups (as such terms are defined in section 3 of the Alaska Native Claims Settlement Act (43 U.S.C. 1602)).

(e) APPLICATION.—To be eligible to receive a grant under this section, a local board or entity shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require, including—

(1) a description of the activities that the local board or entity will provide under this section to youth in the community described in subsection (c);

(2) a description of the performance measures negotiated under subsection (f), and the manner in which the local boards or entities will carry out the activities to meet the performance measures;

(3) a description of the manner in which the activities will be linked to activities described in section 129; and

(4) a description of the community support, including financial support through leveraging additional public and private resources, for the activities.

(f) PERFORMANCE MEASURES.—

(1) IN GENERAL.—The Secretary shall negotiate and reach agreement with the local board or entity on performance measures for the indicators of performance referred to in subparagraphs (A) and (B) of section 136(b)(2) that will be used to evaluate the performance of the local board or entity in carrying out the activities described in subsection (b). Each local performance measure shall consist of such a indicator of performance, and a performance level referred to in paragraph (2).

(2) PERFORMANCE LEVELS.—The Secretary shall negotiate and reach agreement with the local board or entity regarding the levels of performance expected to be achieved by the local board or entity on the indicators of performance.

(g) ROLE MODEL ACADEMY PROJECT.—

(1) IN GENERAL.—Using the funds made available pursuant to section 127(b)(1)(A)(iv) for fiscal year 1999, the Secretary shall provide assistance to an entity to carry out a project establishing a role model academy for out-of-school youth.

(2) RESIDENTIAL CENTER.—The entity shall use the assistance to establish an academy that consists of a residential center located on the site of a military installation closed or realigned pursuant to a law providing for closures and realignments of such installations.

(3) SERVICES.—The academy established pursuant to this subsection shall provide services that—

(A) utilize a military style model that emphasizes leadership skills and discipline, or another model of demonstrated effectiveness; and

(B) include vocational training, secondary school course work leading to a secondary school diploma or recognized equivalent, and the use of mentors who serve as role models and who provide academic training and career counseling to the youth.

SEC. 170. TECHNICAL ASSISTANCE.

(a) GENERAL TECHNICAL ASSISTANCE.—

(1) IN GENERAL.—The Secretary shall provide, coordinate, and support the development of, appropriate training, technical assistance, staff development, and other activities, including assistance in replicating programs of demonstrated effectiveness, to States and localities, and, in particular, to assist States in making transitions from carrying out activities under the provisions of law repealed under section 199 to carrying out activities under this title.

(2) FORM OF ASSISTANCE.—In carrying out paragraph (1) on behalf of a State, or recipient of financial assistance under any of sections 166 through 169, the Secretary, after consultation with the State or grant recipient, may award grants and enter into contracts and cooperative agreements.

(3) LIMITATION.—Grants or contracts awarded under paragraph (1) to entities other than States or local units of government that are for amounts in excess of $100,000 shall only be awarded on a competitive basis.

(b) DISLOCATED WORKER TECHNICAL ASSISTANCE.—

(1) AUTHORITY.—Of the amounts available pursuant to section 132(a)(2), the Secretary shall reserve not more than 5 percent of such amounts to provide technical assistance to States that do not meet the State performance measures described in section 136 with respect to employment and training activities for dislocated workers. Using such reserved funds, the Secretary may provide such assistance to other States, local areas, and other entities involved in providing assistance to dislocated workers, to promote the continuous improvement of assistance provided to dislocated workers, under this title.

(2) TRAINING.—Amounts reserved under this subsection may be used to provide for the training of staff, including specialists, who provide rapid response services. Such training shall include instruction in proven methods of promoting, establishing, and assisting labor-management committees. Such projects shall be administered through the dislocated worker office described in section 174(b).

SEC. 171. DEMONSTRATION, PILOT, MULTISERVICE, RESEARCH, AND MULTISTATE PROJECTS.

(a) STRATEGIC PLAN.—

(1) IN GENERAL.—After consultation with States, localities, and other interested parties, the Secretary shall, every 2 years, publish in the Federal Register, a plan that describes the demonstration and pilot (including dislocated worker demonstration and pilot), multiservice, research, and multistate project priorities of the Department of Labor concerning employment and training for the 5-year period following the submission of the plan. Copies of the plan shall be transmitted to the appropriate committees of Congress.

(2) FACTORS.—The plan published under paragraph (1) shall contain strategies to address national employment and training problems and take into account factors such as—

(A) the availability of existing research (as of the date of the publication);

(B) the need to ensure results that have interstate validity;

(C) the benefits of economies of scale and the efficiency of proposed projects; and

(D) the likelihood that the results of the projects will be useful to policymakers and stakeholders in addressing employment and training problems.

(b) DEMONSTRATION AND PILOT PROJECTS.—

(1) IN GENERAL.—Under a plan published under subsection (a), the Secretary shall, through grants or contracts, carry out demonstration and pilot projects for the purpose of developing and implementing techniques and approaches, and demonstrating the effectiveness of specialized methods, in addressing employment and training needs. Such projects shall include the provision of direct services to individuals to enhance employment opportunities and an evaluation component and may include—

(A) the establishment of advanced manufacturing technology skill centers developed through local partnerships of industry, labor, education, community-based organizations, and economic development organizations to meet unmet, high-tech skill needs of local communities;

(B) projects that provide training to upgrade the skills of employed workers who reside and are employed in enterprise communities or empowerment zones;

(C) programs conducted jointly with the Department of Defense to develop training programs utilizing computer-based and other innovative learning technologies;

(D) projects that promote the use of distance learning, enabling students to take courses through the use of media technology such as videos, teleconferencing computers, and the Internet;

(E) projects that assist in providing comprehensive services to increase the employment rates of out-of-school youth residing in targeted high poverty areas within empowerment zones and enterprise communities;

(F) the establishment of partnerships with national organizations with special expertise in developing, organizing, and administering employment and training services, for individuals with

disabilities, at the national, State, and local levels;

(G) projects to assist public housing authorities that provide, to public housing residents, job training programs that demonstrate success in upgrading the job skills and promoting employment of the residents; and

(H) projects that assist local areas to develop and implement local self-sufficiency standards to evaluate the degree to which participants in programs under this title are achieving self-sufficiency.

(2) LIMITATIONS.—

(A) COMPETITIVE AWARDS.—Grants or contracts awarded for carrying out demonstration and pilot projects under this subsection shall be awarded only on a competitive basis, except that a noncompetitive award may be made in the case of a project that is funded jointly with other public or private sector entities that provide a portion of the funding for the project.

(B) ELIGIBLE ENTITIES.—Grants or contracts may be awarded under this subsection only to—

(i) entities with recognized expertise in—

(I) conducting national demonstration projects;

(II) utilizing state-of-the-art demonstration methods; or

(III) conducting evaluations of workforce investment projects; or

(ii) State and local entities with expertise in operating or overseeing workforce investment programs.

(C) TIME LIMITS.—The Secretary shall establish appropriate time limits for carrying out demonstration and pilot projects under this subsection.

(c) MULTISERVICE PROJECTS, RESEARCH PROJECTS, AND MULTISTATE PROJECTS.—

(1) MULTISERVICE PROJECTS.—Under a plan published under subsection (a), the Secretary shall, through grants or contracts, carry out multiservice projects—

(A) that will test an array of approaches to the provision of employment and training services to a variety of targeted populations;

(B) in which the entity carrying out the project, in conjunction with employers, organized labor, and other groups such as the disability community, will design, develop, and test various training approaches in order to determine effective practices; and

(C) that will assist in the development and replication of effective service delivery strategies for targeted populations for the national employment and training system as a whole.

(2) RESEARCH PROJECTS.—

(A) IN GENERAL.—Under a plan published under subsection (a), the Secretary shall, through grants or contracts, carry out research projects that will contribute to the solution of employment and training problems in the United States.

(B) FORMULA IMPROVEMENT STUDY AND REPORT.—

(i) STUDY.—The Secretary shall conduct a 2-year study concerning improvements in the formulas described in section 132(b)(1)(B) and paragraphs (2)(A) and (3) of section 133(b) (regarding distributing funds under subtitle B to States and local areas for adult employment and training activities). In conducting the study, the Secretary shall examine means of improving the formulas by—

(I) developing formulas based on statistically reliable data;

(II) developing formulas that are consistent with the goals and objectives of this title; and

(III) developing formulas based on organizational and financial stability of State boards and local boards.

(ii) REPORT.—The Secretary shall prepare and submit to Congress a report containing the results of the study, including recommendations for improved formulas.

(3) MULTISTATE PROJECTS.—

(A) IN GENERAL.—

(i) AUTHORITY.—Under a plan published under subsection (a), the Secretary may, through grants or contracts, carry out multistate projects that require demonstrated expertise that is available at the national level to effectively disseminate best practices and models for implementing employment and training services, address the specialized employment and training needs of particular service populations, or address industry-wide skill shortages.

(ii) DESIGN OF GRANTS.—Grants or contracts awarded under this subsection shall be designed to obtain information relating to the provision of services under different economic conditions or to various demographic groups in order to provide guidance at the national and State levels about how best to administer specific employment and training services.

(4) LIMITATIONS.—

(A) COMPETITIVE AWARDS.—Grants or contracts awarded for carrying out projects under this subsection in amounts that exceed $100,000 shall be awarded only on a competitive basis, except that a noncompetitive award may be made in the case of a project that is funded jointly with other public or private sector entities that provide a substantial portion of assistance under the grant or contract for the project.

(B) TIME LIMITS.—A grant or contract shall not be awarded under this subsection to the same organization for more than 3 consecutive years unless such grant or contract is competitively reevaluated within such period.

(C) PEER REVIEW.—

(i) IN GENERAL.—The Secretary shall utilize a peer review process—

(I) to review and evaluate all applications for grants in amounts that exceed $500,000 that are submitted under this section; and

(II) to review and designate exemplary and promising programs under this section.

(ii) AVAILABILITY OF FUNDS.—The Secretary is authorized to use funds provided under this section to carry out peer review activities under this subparagraph.

(D) PRIORITY.—In awarding grants or contracts under this subsection, priority shall be provided to entities with nationally recognized expertise in the methods, techniques, and knowledge of workforce investment activities and shall include appropriate time limits, established by the Secretary, for the duration of such projects.

(d) DISLOCATED WORKER PROJECTS.—Of the amount made available pursuant to section 132(a)(2)(A) for any program year, the Secretary shall use not more than 10 percent of such amount to carry out demonstration and pilot projects, multiservice projects, and multistate projects, relating to the employment and training needs of dislocated workers. Of the requirements of this section, such projects shall be subject only to the provisions relating to review and evaluation of applications under subsection (c)(4)(C). Such projects may include demonstration and pilot projects relating to promoting self-employment, promoting job creation, averting dislocations, assisting dislocated farmers, assisting dislocated fishermen, and promoting public works. Such projects shall be administered through the dislocated worker office described in section 173(b).

SEC. 172. EVALUATIONS.

(a) PROGRAMS AND ACTIVITIES CARRIED OUT UNDER THIS TITLE.—For the purpose of improving the management and effectiveness of programs and activities carried out under this title, the Secretary shall provide for the continuing evaluation of the programs and activities, including those programs and activities carried out under section 171. Such evaluations shall address—

(1) the general effectiveness of such programs and activities in relation to their cost, including the extent to which the programs and activities—

(A) improve the employment competencies of participants in comparison to comparably-situated individuals who did not participate in such programs and activities; and

(B) to the extent feasible, increase the level of total employment over the level that would have existed in the absence of such programs and activities;

(2) the effectiveness of the performance measures relating to such programs and activities;

(3) the effectiveness of the structure and mechanisms for delivery of services through such programs and activities;

(4) the impact of the programs and activities on the community and participants involved;

(5) the impact of such programs and activities on related programs and activities;

(6) the extent to which such programs and activities meet the needs of various demographic groups; and

(7) such other factors as may be appropriate.

(b) OTHER PROGRAMS AND ACTIVITIES.—The Secretary may conduct evaluations of other federally funded employment-related programs and activities under other provisions of law.

(c) TECHNIQUES.—Evaluations conducted under this section shall utilize appropriate methodology and research designs, including the use of control groups chosen by scientific random assignment methodologies. The Secretary shall conduct as least 1 multisite control group evaluation under this section by the end of fiscal year 2005.

(d) REPORTS.—The entity carrying out an evaluation described in subsection (a) or (b) shall prepare and submit to the Secretary a draft report and a final report containing the results of the evaluation.

(e) REPORTS TO CONGRESS.—Not later than 30 days after the completion of such a draft report, the Secretary shall transmit the draft report to the Committee on Education and the Workforce of the House of Representatives and the Committee on Labor and Human Resources of the Senate. Not later than 60 days after the completion of such a final report, the Secretary shall transmit the final report to such committees of the Congress.

(f) COORDINATION.—The Secretary shall ensure the coordination of evaluations carried out by States pursuant to section 136(e) with the evaluations carried out under this section.

SEC. 173. NATIONAL EMERGENCY GRANTS.

(a) IN GENERAL.—The Secretary is authorized to award national emergency grants in a timely manner—

(1) to an entity described in subsection (c) to provide employment and training assistance to workers affected by major economic dislocations, such as plant closures, mass layoffs, or closures and realignments of military installations;

(2) to provide assistance to the Governor of any State within the boundaries of which is an area that has suffered an emergency or a major disaster as defined in paragraphs (1) and (2), respectively, of section 102 of The Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5122 (1) and (2)) (referred to in this section as the ''disaster area'') to provide disaster relief employment in the area; and

(3) to provide additional assistance to a State or local board for eligible dislocated workers in a case in which the State or local board has expended the funds provided under this section to carry out activities described in paragraphs (1) and (2) and can demonstrate the need for additional funds to provide appropriate services for such workers, in accordance with requirements prescribed by the Secretary.

(b) ADMINISTRATION.—The Secretary shall designate a dislocated worker office to coordinate the functions of the Secretary under this title relating to employment and training activities for dislocated workers, including activities carried out under the national emergency grants.

(c) EMPLOYMENT AND TRAINING ASSISTANCE REQUIREMENTS.—

(1) GRANT RECIPIENT ELIGIBILITY.—

(A) APPLICATION.—To be eligible to receive a grant under subsection (a)(1), an entity shall

submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require.

(B) ELIGIBLE ENTITY.—In this paragraph, the term ''entity'' means a State, a local board, an entity described in section 166(c), entities determined to be eligible by the Governor of the State involved, and other entities that demonstrate to the Secretary the capability to effectively respond to the circumstances relating to particular dislocations.

(2) PARTICIPANT ELIGIBILITY.—

(A) IN GENERAL.—In order to be eligible to receive employment and training assistance under a national emergency grant awarded pursuant to subsection (a)(1), an individual shall be—

(i) a dislocated worker;

(ii) a civilian employee of the Department of Defense or the Department of Energy employed at a military installation that is being closed, or that will undergo realignment, within the next 24 months after the date of the determination of eligibility;

(iii) an individual who is employed in a nonmanagerial position with a Department of Defense contractor, who is determined by the Secretary of Defense to be at-risk of termination from employment as a result of reductions in defense expenditures, and whose employer is converting operations from defense to nondefense applications in order to prevent worker layoffs; or

(iv) a member of the Armed Forces who—

(I) was on active duty or full-time National Guard duty;

(II)(aa) is involuntarily separated (as defined in section 1141 of title 10, United States Code) from active duty or full-time National Guard duty; or

(bb) is separated from active duty or full-time National Guard duty pursuant to a special separation benefits program under section 1174a of title 10, United States Code, or the voluntary separation incentive program under section 1175 of that title;

(III) is not entitled to retired or retained pay incident to the separation described in subclause (II); and

(IV) applies for such employment and training assistance before the end of the 180-day period beginning on the date of that separation.

(B) RETRAINING ASSISTANCE.—The individuals described in subparagraph (A)(iii) shall be eligible for retraining assistance to upgrade skills by obtaining marketable skills needed to support the conversion described in subparagraph (A)(iii).

(C) ADDITIONAL REQUIREMENTS.—The Secretary shall establish and publish additional requirements related to eligibility for employment and training assistance under the national emergency grants to ensure effective use of the funds available for this purpose.

(D) DEFINITIONS.—In this paragraph, the terms 'military institution' and 'realignment' have the meanings given the terms in section 2910 of the Defense Base Closure and Realignment Act of 1990 (Public Law 101–510; 10 U.S.C. 2687 note).

(d) DISASTER RELIEF EMPLOYMENT ASSISTANCE REQUIREMENTS.—

(1) IN GENERAL.—Funds made available under subsection (a)(2)—

(A) shall be used to provide disaster relief employment on projects that provide food, clothing, shelter, and other humanitarian assistance for disaster victims, and projects regarding demolition, cleaning, repair, renovation, and reconstruction of damaged and destroyed structures, facilities, and lands located within the disaster area;

(B) may be expended through public and private agencies and organizations engaged in such projects; and

(C) may be expended to provide employment and training activities.

(2) ELIGIBILITY.—An individual shall be eligible to be offered disaster relief employment under subsection (a)(2) if such individual is a dislocated worker, is a long-term unemployed individual, or is temporarily or permanently laid off as a consequence of the disaster.

(3) LIMITATIONS ON DISASTER RELIEF EMPLOYMENT.—No individual shall be employed under subsection (a)(2) for more than 6 months for work related to recovery from a single natural disaster.

SEC. 174. AUTHORIZATION OF APPROPRIATIONS.

(a) NATIVE AMERICAN PROGRAMS; MIGRANT AND SEASONAL FARMWORKER PROGRAMS; VETERANS' WORKFORCE INVESTMENT PROGRAMS.—

(1) IN GENERAL.—Subject to paragraph (2), there are authorized to be appropriated to carry out sections 166 through 168 such sums as may be necessary for each of the fiscal years 1999 through 2003.

(2) RESERVATIONS.—Of the amount appropriated pursuant to the authorization of appropriations under paragraph (1) for a fiscal year, the Secretary shall—

(A) reserve not less than $55,000,000 for carrying out section 166;

(B) reserve not less than $70,000,000 for carrying out section 167; and

(C) reserve not less than $7,300,000 for carrying out section 168.

(b) TECHNICAL ASSISTANCE; DEMONSTRATION AND PILOT PROJECTS; EVALUATIONS; INCENTIVE GRANTS.—

(1) IN GENERAL.—Subject to paragraph (2), there are authorized to be appropriated to carry out sections 170 through 172 and section 503 such sums as may be necessary for each of the fiscal years 1999 through 2003.

(2) RESERVATIONS.—Of the amount appropriated pursuant to the authorization of appropriations under paragraph (1) for a fiscal year, the Secretary shall—

(A)(i) for fiscal year 1999, reserve up to 40 percent for carrying out section 170 (other than subsection (b) of such section);

(ii) for fiscal year 2000, reserve up to 25 percent for carrying out section 170 (other than subsection (b) of such section); and

(iii) for each of the fiscal years 2001 through 2003, reserve up to 20 percent for carrying out section 170 (other than subsection (b) of such section);

(B)(i) for fiscal year 1999, reserve not less than 50 percent for carrying out section 171; and

(ii) for each of the fiscal years 2000 through 2003, reserve not less than 45 percent for carrying out section 171;

(C)(i) for fiscal year 1999, reserve not less than 10 percent for carrying out section 172; and

(ii) for each of the fiscal years 2000 through 2003, reserve not less than 10 percent for carrying out section 172; and

(D)(i) for fiscal year 1999, reserve no funds for carrying out section 503;

(ii) for fiscal year 2000, reserve up to 20 percent for carrying out section 503; and

(iii) for each of the fiscal years 2001 through 2003, reserve up to 25 percent for carrying out section 503.

Subtitle E—Administration

SEC. 181. REQUIREMENTS AND RESTRICTIONS.

(a) BENEFITS.—

(1) WAGES.—

(A) IN GENERAL.—Individuals in on-the-job training or individuals employed in activities under this title shall be compensated at the same rates, including periodic increases, as trainees or employees who are similarly situated in similar occupations by the same employer and who have similar training, experience, and skills, and such rates shall be in accordance with applicable law, but in no event less than the higher of the rate specified in section 6(a)(1) of the Fair Labor Standards Act of 1938 (29 U.S.C. 206(a)(1)) or the applicable State or local minimum wage law.

(B) RULE OF CONSTRUCTION.—The reference in subparagraph (A) to section 6(a)(1) of the Fair Labor Standards Act of 1938 (29 U.S.C. 206(a)(1))—

(i) shall be deemed to be a reference to section 6(a)(3) of that Act for individuals in American Samoa; and

(ii) shall not be applicable for individuals in other territorial jurisdictions in which section 6 of the Fair Labor Standards Act of 1938 does not apply.

(2) TREATMENT OF ALLOWANCES, EARNINGS, AND PAYMENTS.—Allowances, earnings and payments to individuals participating in programs under this title shall not be considered as income for the purposes of determining eligibility for and the amount of income transfer and in-kind aid furnished under any Federal or federally assisted program based on need, other than as provided under the Social Security Act (42 U.S.C. 301 et seq.).

(b) LABOR STANDARDS.—

(1) LIMITATIONS ON ACTIVITIES THAT IMPACT WAGES OF EMPLOYEES.—No funds provided under this title shall be used to pay the wages of incumbent employees during their participation in economic development activities provided through a statewide workforce investment system.

(2) DISPLACEMENT.—

(A) PROHIBITION.—A participant in a program or activity authorized under this title (referred to in this section as a ''specified activity'') shall not displace (including a partial displacement, such as a reduction in the hours of nonovertime work, wages, or employment benefits) any currently employed employee (as of the date of the participation).

(B) PROHIBITION ON IMPAIRMENT OF CONTRACTS.—A specified activity shall not impair an existing contract for services or collective bargaining agreement, and no such activity that would be inconsistent with the terms of a collective bargaining agreement shall be undertaken without the written concurrence of the labor organization and employer concerned.

(3) OTHER PROHIBITIONS.—A participant in a specified activity shall not be employed in a job if—

(A) any other individual is on layoff from the same or any substantially equivalent job;

(B) the employer has terminated the employment of any regular employee or otherwise reduced the workforce of the employer with the intention of filling the vacancy so created with the participant; or

(C) the job is created in a promotional line that will infringe in any way upon the promotional opportunities of currently employed individuals (as of the date of the participation).

(4) HEALTH AND SAFETY.—Health and safety standards established under Federal and State law otherwise applicable to working conditions of employees shall be equally applicable to working conditions of participants engaged in specified activities. To the extent that a State workers' compensation law applies, workers' compensation shall be provided to participants on the same basis as the compensation is provided to other individuals in the State in similar employment.

(5) EMPLOYMENT CONDITIONS.—Individuals in on-the-job training or individuals employed in programs and activities under this title, shall be provided benefits and working conditions at the same level and to the same extent as other trainees or employees working a similar length of time and doing the same type of work.

(6) OPPORTUNITY TO SUBMIT COMMENTS.—Interested members of the public, including representatives of businesses and of labor organizations, shall be provided an opportunity to submit comments to the Secretary with respect to programs and activities proposed to be funded under subtitle B.

(7) NO IMPACT ON UNION ORGANIZING.—Each recipient of funds under this title shall provide to the Secretary assurances that none of such funds will be used to assist, promote, or deter union organizing.

(c) GRIEVANCE PROCEDURE.—

(1) IN GENERAL.—Each State and local area receiving an allotment under this title shall establish and maintain a procedure for grievances or complaints alleging violations of the requirements of this title from participants and other interested or affected parties. Such procedure shall include an opportunity for a hearing and be completed within 60 days after the filing of the grievance or complaint.

(2) INVESTIGATION.—

(A) IN GENERAL.—The Secretary shall investigate an allegation of a violation described in paragraph (1) if—

(i) a decision relating to such violation has not been reached within 60 days after the date of the filing of the grievance or complaint and either party appeals to the Secretary; or

(ii) a decision relating to such violation has been reached within such 60 days and the party to which such decision is adverse appeals such decision to the Secretary.

(B) ADDITIONAL REQUIREMENT.—The Secretary shall make a final determination relating to an appeal made under subparagraph (A) no later than 120 days after receiving such appeal.

(3) REMEDIES.—Remedies that may be imposed under this section for a violation of any requirement of this title shall be limited—

(A) to suspension or termination of payments under this title;

(B) to prohibition of placement of a participant with an employer that has violated any requirement under this title;

(C) where applicable, to reinstatement of an employee, payment of lost wages and benefits, and reestablishment of other relevant terms, conditions, and privileges of employment; and

(D) where appropriate, to other equitable relief.

(4) RULE OF CONSTRUCTION.—Nothing in paragraph (3) shall be construed to prohibit a grievant or complainant from pursuing a remedy authorized under another Federal, State, or local law for a violation of this title.

(d) RELOCATION.—

(1) PROHIBITION ON USE OF FUNDS TO ENCOURAGE OR INDUCE RELOCATION.—No funds provided under this title shall be used, or proposed for use, to encourage or induce the relocation of a business or part of a business if such relocation would result in a loss of employment for any employee of such business at the original location and such original location is within the United States.

(2) PROHIBITION ON USE OF FUNDS FOR CUSTOMIZED OR SKILL TRAINING AND RELATED ACTIVITIES AFTER RELOCATION.—No funds provided under this title for an employment and training activity shall be used for customized or skill training, on-the-job training, or company-specific assessments of job applicants or employees, for any business or part of a business that has relocated, until the date that is 120 days after the date on which such business commences operations at the new location, if the relocation of such business or part of a business results in a loss of employment for any employee of such business at the original location and such original location is within the United States.

(3) REPAYMENT.—If the Secretary determines that a violation of paragraph (1) or (2) has occurred, the Secretary shall require the State that has violated such paragraph to repay to the United States an amount equal to the amount expended in violation of such paragraph.

(e) LIMITATION ON USE OF FUNDS.—No funds available under this title shall be used for employment generating activities, economic development activities, investment in revolving loan funds, capitalization of businesses, investment in contract bidding resource centers, and similar activities that are not directly related to training for eligible individuals under this title. No funds available under subtitle B shall be used for foreign travel.

(f) TESTING AND SANCTIONING FOR USE OF CONTROLLED SUBSTANCES.—

(1) IN GENERAL.—Notwithstanding any other provision of law, a State shall not be prohibited by the Federal Government from—

(A) testing participants in programs under subtitle B for the use of controlled substances; and

(B) sanctioning such participants who test positive for the use of such controlled substances.

(2) ADDITIONAL REQUIREMENTS.—

(A) PERIOD OF SANCTION.—In sanctioning participants in programs under subtitle B who test positive for the use of controlled substances—

(i) with respect to the first occurrence for which a participant tests positive, a State may exclude the participant from the program for a period not to exceed 6 months; and

(ii) with respect to the second occurrence and each subsequent occurrence for which a participant tests positive, a State may exclude the participant from the program for a period not to exceed not to exceed 2 years.

(B) APPEAL.—The testing of participants and the imposition of sanctions under this subsection shall be subject to expeditious appeal in accordance with due process procedures established by the State.

(C) PRIVACY.— A State shall establish procedures for testing participants for the use of controlled substances that ensure a maximum degree of privacy for the participants.

(4) FUNDING REQUIREMENT.—In testing and sanctioning of participants for the use of controlled substances in accordance with this subsection, the only Federal funds that a State may use are the amounts made available for the administration of statewide workforce investment activities under section 134(a)(3)(B).

SEC. 182. PROMPT ALLOCATION OF FUNDS.

(a) ALLOTMENTS BASED ON LATEST AVAILABLE DATA.—All allotments to States and grants to outlying areas under this title shall be based on the latest available data and estimates satisfactory to the Secretary. All data relating to disadvantaged adults and disadvantaged youth shall be based on the most recent satisfactory data from the Bureau of the Census.

(b) PUBLICATION IN FEDERAL REGISTER RELATING TO FORMULA FUNDS.—Whenever the Secretary allots funds required to be allotted under this title, the Secretary shall publish in a timely fashion in the Federal Register the proposed amount to be distributed to each recipient of the funds.

(c) REQUIREMENT FOR FUNDS DISTRIBUTED BY FORMULA.—All funds required to be allotted under section 127 or 132 shall be allotted within 45 days after the date of enactment of the Act appropriating the funds, except that, if such funds are appropriated in advance as authorized by section 189(g), such funds shall be allotted or allocated not later than the March 31 preceding the program year for which such funds are to be available for obligation.

(d) PUBLICATION IN FEDERAL REGISTER RELATING TO DISCRETIONARY FUNDS.—Whenever the Secretary utilizes a formula to allot or allocate funds made available for distribution at the Secretary's discretion under this title, the Secretary shall, not later than 30 days prior to such allotment or allocation, publish such formula in the Federal Register for comments along with the rationale for the formula and the proposed amounts to be distributed to each State and local area. After consideration of any comments received, the Secretary shall publish final allotments and allocations in the Federal Register.

(e) AVAILABILITY OF FUNDS.—Funds shall be made available under sections 128 and 133 for a local area not later than 30 days after the date the funds are made available to the Governor involved, under section 127 or 132 (as the case may be), or 7 days after the date the local plan for the area is approved, whichever is later.

SEC. 183. MONITORING.

(a) IN GENERAL.—The Secretary is authorized to monitor all recipients of financial assistance under this title to determine whether the recipients are complying with the provisions of this title, including the regulations issued under this title.

(b) INVESTIGATIONS.—The Secretary may investigate any matter the Secretary determines to be necessary to determine the compliance of the recipients with this title, including the regulations issued under this title. The investigations authorized by this subsection may include examining records (including making certified copies of the records), questioning employees, and entering any premises or onto any site in which any part of a program or activity of such a recipient is conducted or in which any of the records of the recipient are kept.

(c) ADDITIONAL REQUIREMENT.—For the purpose of any investigation or hearing conducted under this title by the Secretary, the provisions of section 9 of the Federal Trade Commission Act (15 U.S.C. 49) (relating to the attendance of witnesses and the production of documents) apply to the Secretary, in the same manner and to the same extent as the provisions apply to the Federal Trade Commission.

SEC. 184. FISCAL CONTROLS; SANCTIONS.

(a) ESTABLISHMENT OF FISCAL CONTROLS BY STATES.—

(1) IN GENERAL.—Each State shall establish such fiscal control and fund accounting procedures as may be necessary to assure the proper disbursal of, and accounting for, Federal funds allocated to local areas under subtitle B. Such procedures shall ensure that all financial transactions carried out under subtitle B are conducted and records maintained in accordance with generally accepted accounting principles applicable in each State.

(2) COST PRINCIPLES.—

(A) IN GENERAL.—Each State (including the Governor of the State), local area (including the chief elected official for the area), and provider receiving funds under this title shall comply with the applicable uniform cost principles included in the appropriate circulars of the Office of Management and Budget for the type of entity receiving the funds.

(B) EXCEPTION.—The funds made available to a State for administration of statewide workforce investment activities in accordance with section 134(a)(3)(B) shall be allocable to the overall administration of workforce investment activities, but need not be specifically allocable to—

(i) the administration of adult employment and training activities;

(ii) the administration of dislocated worker employment and training activities; or

(iii) the administration of youth activities.

(3) UNIFORM ADMINISTRATIVE REQUIREMENTS.—

(A) IN GENERAL.—Each State (including the Governor of the State), local area (including the chief elected official for the area), and provider receiving funds under this title shall comply with the appropriate uniform administrative requirements for grants and agreements applicable for the type of entity receiving the funds, as promulgated in circulars or rules of the Office of Management and Budget.

(B) ADDITIONAL REQUIREMENT.—Procurement transactions under this title between local boards and units of State or local governments shall be conducted only on a cost-reimbursable basis.

(4) MONITORING.—Each Governor of a State shall conduct on an annual basis onsite monitoring of each local area within the State to ensure compliance with the uniform administrative requirements referred to in paragraph (3).

(5) ACTION BY GOVERNOR.—If the Governor determines that a local area is not in compliance with the uniform administrative requirements referred to in paragraph (3), the Governor shall—

(A) require corrective action to secure prompt compliance; and

(B) impose the sanctions provided under subsection (b) in the event of failure to take the required corrective action.

(6) CERTIFICATION.—The Governor shall, every 2 years, certify to the Secretary that—

(A) the State has implemented the uniform administrative requirements referred to in paragraph (3);

(B) the State has monitored local areas to ensure compliance with the uniform administrative requirements as required under paragraph (4); and

(C) the State has taken appropriate action to secure compliance pursuant to paragraph (5).

(7) ACTION BY THE SECRETARY.—If the Secretary determines that the Governor has not fulfilled the requirements of this subsection, the Secretary shall—

(A) require corrective action to secure prompt compliance; and

(B) impose the sanctions provided under subsection (e) in the event of failure of the Governor to take the required appropriate action to secure compliance.

(b) SUBSTANTIAL VIOLATION.—

(1) ACTION BY GOVERNOR.—If, as a result of financial and compliance audits or otherwise, the Governor determines that there is a substantial violation of a specific provision of this title, and corrective action has not been taken, the Governor shall—

(A) issue a notice of intent to revoke approval of all or part of the local plan affected; or

(B) impose a reorganization plan, which may include—

(i) decertifying the local board involved;

(ii) prohibiting the use of eligible providers;

(iii) selecting an alternative entity to administer the program for the local area involved;

(iv) merging the local area into 1 or more other local areas; or

(v) making other such changes as the Secretary or Governor determines necessary to secure compliance.

(2) APPEAL.—

(A) IN GENERAL.—The actions taken by the Governor pursuant to subparagraphs (A) and (B) of paragraph (1) may be appealed to the Secretary and shall not become effective until—

(i) the time for appeal has expired; or

(ii) the Secretary has issued a decision.

(B) ADDITIONAL REQUIREMENT.—The Secretary shall make a final decision under subparagraph (A) not later than 45 days after the receipt of the appeal.

(3) ACTION BY THE SECRETARY.—If the Governor fails to promptly take the actions required under paragraph (1), the Secretary shall take such actions.

(c) REPAYMENT OF CERTAIN AMOUNTS TO THE UNITED STATES.—

(1) IN GENERAL.—Every recipient of funds under this title shall repay to the United States amounts found not to have been expended in accordance with this title.

(2) OFFSET OF REPAYMENT.—If the Secretary determines that a State has expended funds made available under this title in a manner contrary to the requirements of this title, the Secretary may offset repayment of such expenditures against any other amount to which the State is or may be entitled, except as provided under subsection (d)(1).

(3) REPAYMENT FROM DEDUCTION BY STATE.—If the Secretary requires a State to repay funds as a result of a determination that a local area of the State has expended funds contrary to the requirements of this title, the Governor of the State may use an amount deducted under paragraph (4) to repay the funds, except as provided under subsection (e)(1).

(4) DEDUCTION BY STATE.—The Governor may deduct an amount equal to the misexpenditure described in paragraph (3) from subsequent program year allocations to the local area from funds reserved for the administrative costs of the local programs involved, as appropriate.

(5) LIMITATIONS.—A deduction made by a State as described in paragraph (4) shall not be made until such time as the Governor has taken appropriate corrective action to ensure full compliance within such local area with regard to appropriate expenditures of funds under this title.

(d) REPAYMENT OF AMOUNTS.—

(1) IN GENERAL.—Each recipient of funds under this title shall be liable to repay the amounts described in subsection (c)(1), from funds other than funds received under this title, upon a determination by the Secretary that the misexpenditure of funds was due to willful disregard of the requirements of this title, gross negligence, failure to observe accepted standards of administration, or a pattern of misexpenditure as described in paragraphs (2) and (3) of subsection (c). No such determination shall be made under this subsection or subsection (c) until notice and opportunity for a fair hearing has been given to the recipient.

(2) FACTORS IN IMPOSING SANCTIONS.—In determining whether to impose any sanction authorized by this section against a recipient for violations by a subgrantee or contractor of such recipient under this title (including the regulations issued under this title), the Secretary shall first determine whether such recipient has adequately demonstrated that the recipient has—

(A) established and adhered to an appropriate system for the award and monitoring of grants and contracts with subgrantees and contractors that contains acceptable standards for ensuring accountability;

(B) entered into a written grant agreement or contract with such subgrantee or contractor that established clear goals and obligations in unambiguous terms;

(C) acted with due diligence to monitor the implementation of the grant agreement or contract, including the carrying out of the appropriate monitoring activities (including audits) at reasonable intervals; and

(D) taken prompt and appropriate corrective action upon becoming aware of any evidence of a violation of this title, including regulations issued under this title, by such subgrantee or contractor.

(3) WAIVER.—If the Secretary determines that the recipient has demonstrated substantial compliance with the requirements of paragraph (2), the Secretary may waive the imposition of sanctions authorized by this section upon such recipient. The Secretary is authorized to impose any sanction consistent with the provisions of this title and any applicable Federal or State law directly against any subgrantee or contractor for violation of this title, including regulations issued under this title.

(e) IMMEDIATE TERMINATION OR SUSPENSION OF ASSISTANCE IN EMERGENCY SITUATIONS.—In emergency situations, if the Secretary determines it is necessary to protect the integrity of the funds or ensure the proper operation of the program or activity involved, the Secretary may immediately terminate or suspend financial assistance, in whole or in part, to the recipient if the recipient is given prompt notice and the opportunity for a subsequent hearing within 30 days after such termination or suspension. The Secretary shall not delegate any of the functions or authority specified in this subsection, other than to an officer whose appointment is required to be made by and with the advice and consent of the Senate.

(f) DISCRIMINATION AGAINST PARTICIPANTS.—If the Secretary determines that any recipient under this title has discharged or in any other manner discriminated against a participant or against any individual in connection with the administration of the program involved, or against any individual because such individual has filed any complaint or instituted or caused to be instituted any proceeding under or related to this title, or has testified or is about to testify in any such proceeding or investigation under or related to this title, or otherwise unlawfully denied to any individual a benefit to which that individual is entitled under the provisions of this title or the Secretary's regulations, the Secretary shall, within thirty days, take such action or order such corrective measures, as necessary, with respect to the recipient or the aggrieved individual, or both.

(g) REMEDIES.—The remedies described in this section shall not be construed to be the exclusive remedies available for violations described in this section.

SEC. 185. REPORTS; RECORDKEEPING; INVESTIGATIONS.

(a) REPORTS.—

(1) IN GENERAL.—Recipients of funds under this title shall keep records that are sufficient to permit the preparation of reports required by this title and to permit the tracing of funds to a level of expenditure adequate to ensure that the funds have not been spent unlawfully.

(2) SUBMISSION TO THE SECRETARY.—Every such recipient shall maintain such records and submit such reports, in such form and containing such information, as the Secretary may require regarding the performance of programs and activities carried out under this title. Such records and reports shall be submitted to the Secretary but shall not be required to be submitted more than once each quarter unless specifically requested by Congress or a committee of Congress, in which case an estimate may be provided.

(3) MAINTENANCE OF STANDARDIZED RECORDS.—In order to allow for the preparation of the reports required under subsection (c), such recipients shall maintain standardized records for all individual participants and provide to the Secretary a sufficient number of such records to provide for an adequate analysis of the records.

(4) AVAILABILITY TO THE PUBLIC.—

(A) IN GENERAL.—Except as provided in subparagraph (B), records maintained by such recipients pursuant to this subsection shall be made available to the public upon request.

(B) EXCEPTION.—Subparagraph (A) shall not apply to—

(i) information, the disclosure of which would constitute a clearly unwarranted invasion of personal privacy; and

(ii) trade secrets, or commercial or financial information, that is obtained from a person and privileged or confidential.

(C) FEES TO RECOVER COSTS.—Such recipients may charge fees sufficient to recover costs applicable to the processing of requests for records under subparagraph (A).

(b) INVESTIGATIONS OF USE OF FUNDS.—

(1) IN GENERAL.—

(A) SECRETARY.—In order to evaluate compliance with the provisions of this title, the Secretary shall conduct, in several States, in each fiscal year, investigations of the use of funds received by recipients under this title.

(B) COMPTROLLER GENERAL OF THE UNITED STATES.—In order to ensure compliance with the provisions of this title, the Comptroller General of the United States may conduct investigations of the use of funds received under this title by any recipient.

(2) PROHIBITION.—In conducting any investigation under this title, the Secretary or the Comptroller General of the United States may not request the compilation of any information that the recipient is not otherwise required to compile and that is not readily available to such recipient.

(3) AUDITS.—

(A) IN GENERAL.—In carrying out any audit under this title (other than any initial audit survey or any audit investigating possible criminal or fraudulent conduct), either directly or through grant or contract, the Secretary, the Inspector General of the Department of Labor, or the Comptroller General of the United States shall furnish to the State, recipient, or other entity to be audited, advance notification of the overall objectives and purposes of the audit, and any extensive recordkeeping or data requirements to be met, not later than 14 days (or as

soon as practicable), prior to the commencement of the audit.

(B) NOTIFICATION REQUIREMENT.—If the scope, objectives, or purposes of the audit change substantially during the course of the audit, the entity being audited shall be notified of the change as soon as practicable.

(C) ADDITIONAL REQUIREMENT.—The reports on the results of such audits shall cite the law, regulation, policy, or other criteria applicable to any finding contained in the reports.

(D) RULE OF CONSTRUCTION.—Nothing contained in this title shall be construed so as to be inconsistent with the Inspector General Act of 1978 (5 U.S.C. App.) or government auditing standards issued by the Comptroller General of the United States.

(c) ACCESSIBILITY OF REPORTS.—Each State, each local board, and each recipient (other than a subrecipient, subgrantee, or contractor of a recipient) receiving funds under this title—

(1) shall make readily accessible such reports concerning its operations and expenditures as shall be prescribed by the Secretary;

(2) shall prescribe and maintain comparable management information systems, in accordance with guidelines that shall be prescribed by the Secretary, designed to facilitate the uniform compilation, cross tabulation, and analysis of programmatic, participant, and financial data, on statewide, local area, and other appropriate bases, necessary for reporting, monitoring, and evaluating purposes, including data necessary to comply with section 188; and

(3) shall monitor the performance of providers in complying with the terms of grants, contracts, or other agreements made pursuant to this title.

(d) INFORMATION TO BE INCLUDED IN REPORTS.—

(1) IN GENERAL.—The reports required in subsection (c) shall include information regarding programs and activities carried out under this title pertaining to—

(A) the relevant demographic characteristics (including race, ethnicity, sex, and age) and other related information regarding participants;

(B) the programs and activities in which participants are enrolled, and the length of time that participants are engaged in such programs and activities;

(C) outcomes of the programs and activities for participants, including the occupations of participants, and placement for participants in nontraditional employment;

(D) specified costs of the programs and activities; and

(E) information necessary to prepare reports to comply with section 188.

(2) ADDITIONAL REQUIREMENT.—The Secretary shall ensure that all elements of the information required for the reports described in paragraph (1) are defined and reported uniformly.

(e) QUARTERLY FINANCIAL REPORTS.—

(1) IN GENERAL.—Each local board in the State shall submit quarterly financial reports to the Governor with respect to programs and activities carried out under this title. Such reports shall include information identifying all program and activity costs by cost category in accordance with generally accepted accounting principles and by year of the appropriation involved.

(2) ADDITIONAL REQUIREMENT.—Each State shall submit to the Secretary, on a quarterly basis, a summary of the reports submitted to the Governor pursuant to paragraph (1).

(f) MAINTENANCE OF ADDITIONAL RECORDS.—Each State and local board shall maintain records with respect to programs and activities carried out under this title that identify—

(1) any income or profits earned, including such income or profits earned by subrecipients; and

(2) any costs incurred (such as stand-in costs) that are otherwise allowable except for funding limitations.

(g) COST CATEGORIES.—In requiring entities to maintain records of costs by category under this title, the Secretary shall require only that the costs be categorized as administrative or programmatic costs.

SEC. 186. ADMINISTRATIVE ADJUDICATION.

(a) IN GENERAL.—Whenever any applicant for financial assistance under this title is dissatisfied because the Secretary has made a determination not to award financial assistance in whole or in part to such applicant, the applicant may request a hearing before an administrative law judge of the Department of Labor. A similar hearing may also be requested by any recipient for whom a corrective action has been required or a sanction has been imposed by the Secretary under section 184.

(b) APPEAL.—The decision of the administrative law judge shall constitute final action by the Secretary unless, within 20 days after receipt of the decision of the administrative law judge, a party dissatisfied with the decision or any part of the decision has filed exceptions with the Secretary specifically identifying the procedure, fact, law, or policy to which exception is taken. Any exception not specifically urged shall be deemed to have been waived. After the 20-day period the decision of the administrative law judge shall become the final decision of the Secretary unless the Secretary, within 30 days after such filing, has notified the parties that the case involved has been accepted for review.

(c) TIME LIMIT.—Any case accepted for review by the Secretary under subsection (b) shall be decided within 180 days after such acceptance. If the case is not decided within the 180-day period, the decision of the administrative law judge shall become the final decision of the Secretary at the end of the 180-day period.

(d) ADDITIONAL REQUIREMENT.—The provisions of section 187 shall apply to any final action of the Secretary under this section.

SEC. 187. JUDICIAL REVIEW.

(a) REVIEW.—

(1) PETITION.—With respect to any final order by the Secretary under section 186 by which the Secretary awards, declines to award, or only conditionally awards, financial assistance under his title, or any final order of the Secretary under section 186 with respect to a corrective action or sanction imposed under section 184, any party to a proceeding which resulted in such final order may obtain review of such final order in the United States Court of Appeals having jurisdiction over the applicant or recipient of funds involved, by filing a review petition within 30 days after the date of issuance of such final order.

(2) ACTION ON PETITION.—The clerk of the court shall transmit a copy of the review petition to the Secretary who shall file the record on which the final order was entered as provided in section 2112 of title 28, United States Code. The filing of a review petition shall not stay the order of the Secretary, unless the court orders a stay. Petitions filed under this subsection shall be heard expeditiously, if possible within 10 days after the date of filing of a reply to the petition.

(3) STANDARD AND SCOPE OF REVIEW.—No objection to the order of the Secretary shall be considered by the court unless the objection was specifically urged, in a timely manner, before the Secretary. The review shall be limited to questions of law and the findings of fact of the Secretary shall be conclusive if supported by substantial evidence.

(b) JUDGMENT.—The court shall have jurisdiction to make and enter a decree affirming, modifying, or setting aside the order of the Secretary in whole or in part. The judgment of the court regarding the order shall be final, subject to certiorari review by the Supreme Court as provided in section 1254(1) of title 28, United States Code.

SEC. 188. NONDISCRIMINATION.

(a) IN GENERAL.—

(1) FEDERAL FINANCIAL ASSISTANCE.—For the purpose of applying the prohibitions against discrimination on the basis of age under the Age Discrimination Act of 1975 (42 U.S.C. 6101 et seq.), on the basis of disability under section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), on the basis of sex under title IX of the Education Amendments of 1972 (20 U.S.C. 1681 et seq.), or on the basis of race, color, or national origin under title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d et seq.), programs and activities funded or otherwise financially assisted in whole or in part under this Act are considered to be programs and activities receiving Federal financial assistance.

(2) PROHIBITION OF DISCRIMINATION REGARDING PARTICIPATION, BENEFITS, AND EMPLOYMENT.—No individual shall be excluded from participation in, denied the benefits of, subjected to discrimination under, or denied employment in the administration of or in connection with, any such program or activity because of race, color, religion, sex (except as otherwise permitted under title IX of the Education Amendments of 1972), national origin, age, disability, or political affiliation or belief.

(3) PROHIBITION ON ASSISTANCE FOR FACILITIES FOR SECTARIAN INSTRUCTION OR RELIGIOUS WORSHIP.—Participants shall not be employed under this title to carry out the construction, operation, or maintenance of any part of any facility that is used or to be used for sectarian instruction or as a place for religious worship (except with respect to the maintenance of a facility that is not primarily or inherently devoted to sectarian instruction or religious worship, in a case in which the organization operating the facility is part of a program or activity providing services to participants).

(4) PROHIBITION ON DISCRIMINATION ON BASIS OF PARTICIPANT STATUS.—No person may discriminate against an individual who is a participant in a program or activity that receives funds under this title, with respect to the terms and conditions affecting, or rights provided to, the individual, solely because of the status of the individual as a participant.

(5) PROHIBITION ON DISCRIMINATION AGAINST CERTAIN NONCITIZENS.—Participation in programs and activities or receiving funds under this title shall be available to citizens and nationals of the United States, lawfully admitted permanent resident aliens, refugees, asylees, and parolees, and other immigrants authorized by the Attorney General to work in the United States.

(b) ACTION OF SECRETARY.—Whenever the Secretary finds that a State or other recipient of funds under this title has failed to comply with a provision of law referred to in subsection (a)(1), or with paragraph (2), (3), (4), or (5) of subsection (a), including an applicable regulation prescribed to carry out such provision or paragraph, the Secretary shall notify such State or recipient and shall request that the State or recipient comply. If within a reasonable period of time, not to exceed 60 days, the State or recipient fails or refuses to comply, the Secretary may—

(1) refer the matter to the Attorney General with a recommendation that an appropriate civil action be instituted; or

(2) take such other action as may be provided by law.

(c) ACTION OF ATTORNEY GENERAL.—When a matter is referred to the Attorney General pursuant to subsection (b)(1), or whenever the Attorney General has reason to believe that a State or other recipient of funds under this title is engaged in a pattern or practice of discrimination in violation of a provision of law referred to in subsection (a)(1) or in violation of paragraph (2), (3), (4), or (5) of subsection (a), the Attorney General may bring a civil action in any appropriate district court of the United States for such relief as may be appropriate, including injunctive relief.

(d) JOB CORPS.—For the purposes of this section, Job Corps members shall be considered as the ultimate beneficiaries of Federal financial assistance.

(e) REGULATIONS.—The Secretary shall issue regulations necessary to implement this section not later than one year after the date of the enactment of the Workforce Investment Act of 1998. Such regulations shall adopt standards for determining discrimination and procedures for enforcement that are consistent with the Acts referred to in a subsection (a)(1), as well as procedures to ensure that complaints filed under this section and such Acts are processed in a manner that avoids duplication of effort.

SEC. 189. ADMINISTRATIVE PROVISIONS.

(a) IN GENERAL.—The Secretary may, in accordance with chapter 5 of title 5, United States Code, prescribe rules and regulations to carry out this title only to the extent necessary to administer and ensure compliance with the requirements of this title. Such rules and regulations may include provisions making adjustments authorized by section 204 of the Intergovernmental Cooperation Act of 1968. All such rules and regulations shall be published in the Federal Register at least 30 days prior to their effective dates. Copies of each such rule or regulation shall be transmitted to the appropriate committees of Congress on the date of such publication and shall contain, with respect to each material provision of such rule or regulation, a citation to the particular substantive section of law that is the basis for the provision.

(b) ACQUISITION OF CERTAIN PROPERTY AND SERVICES.—The Secretary is authorized, in carrying out this title, to accept, purchase, or lease in the name of the Department of Labor, and employ or dispose of in furtherance of the purposes of this title, any money or property, real, personal, or mixed, tangible or intangible, received by gift, devise, bequest, or otherwise, and to accept voluntary and uncompensated services notwithstanding the provisions of section 1342 of title 31, United States Code.

(c) AUTHORITY TO ENTER INTO CERTAIN AGREEMENTS AND TO MAKE CERTAIN EXPENDITURES.—The Secretary may make such grants, enter into such contracts or agreements, establish such procedures, and make such payments, in installments and in advance or by way of reimbursement, or otherwise allocate or expend such funds under this title, as may be necessary to carry out this title, including making expenditures for construction, repairs, and capital improvements, and including making necessary adjustments in payments on account of overpayments or underpayments.

(d) ANNUAL REPORT.—The Secretary shall prepare and submit to Congress an annual report regarding the programs and activities carried out under this title. The Secretary shall include in such report—

(1) a summary of the achievements, failures, and problems of the programs and activities in meeting the objectives of this title;

(2) a summary of major findings from research, evaluations, pilot projects, and experiments conducted under this title in the fiscal year prior to the submission of the report;

(3) recommendations for modifications in the programs and activities based on analysis of such findings; and

(4) such other recommendations for legislative or administrative action as the Secretary determines to be appropriate.

(e) UTILIZATION OF SERVICES AND FACILITIES.—The Secretary is authorized, in carrying out this title, under the same procedures as are applicable under subsection (c) or to the extent permitted by law other than this title, to accept and use the services and facilities of departments, agencies, and establishments of the United States. The Secretary is also authorized, in carrying out this title, to accept and use the services and facilities of the agencies of any State or political subdivision of a State, with the consent of the State or political subdivision.

(f) OBLIGATIONAL AUTHORITY.—Notwithstanding any other provision of this title, the Secretary shall have no authority to enter into contracts, grant agreements, or other financial assistance agreements under this title except to such extent and in such amounts as are provided in advance in appropriations Acts.

(g) PROGRAM YEAR.—

(1) IN GENERAL.—

(A) PROGRAM YEAR.—Except as provided in subparagraph (B), appropriations for any fiscal year for programs and activities carried out under this title shall be available for obligation only on the basis of a program year. The program year shall begin on July 1 in the fiscal year for which the appropriation is made.

(B) YOUTH ACTIVITIES.—The Secretary may make available for obligation, beginning April 1 of any fiscal year, funds appropriated for such fiscal year to carry out youth activities under subtitle B.

(2) AVAILABILITY.—Funds obligated for any program year for a program or activity carried out under this title may be expended by each State receiving such funds during that program year and the 2 succeeding program years. Funds obligated for any program year for a program or activity carried out under section 171 or 172 shall remain available until expended. Funds received by local areas from States under this title during a program year may be expended during that program year and the succeeding program year. No amount of the funds described in this paragraph shall be deobligated on account of a rate of expenditure that is consistent with a State plan, an operating plan described in section 151, or a plan, grant agreement, contract, application, or other agreement described in subtitle D, as appropriate.

(h) ENFORCEMENT OF MILITARY SELECTIVE SERVICE ACT.—The Secretary shall ensure that each individual participating in any program or activity established under this title, or receiving any assistance or benefit under this title, has not violated section 3 of the Military Selective Service Act (50 U.S.C. App. 453) by not presenting and submitting to registration as required pursuant to such section. The Director of the Selective Service System shall cooperate with the Secretary to enable the Secretary to carry out this subsection.

(i) WAIVERS AND SPECIAL RULES.—

(1) EXISTING WAIVERS.—With respect to a State that has been granted a waiver under the provisions relating to training and employment services of the Department of Labor in title I of the Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1997 (Public Law 104–208; 110 Stat. 3009–234), the authority provided under such waiver shall continue in effect and apply, and include a waiver of the related provisions of subtitle B and this subtitle, for the duration of the initial waiver.

(2) SPECIAL RULE REGARDING DESIGNATED AREAS.—A State that has enacted, not later than December 31, 1997, a State law providing for the designation of service delivery areas for the delivery of workforce investment activities, may use such areas as local areas under this title, notwithstanding section 116.

(3) SPECIAL RULE REGARDING SANCTIONS.—A State that enacts, not later than December 31, 1997, a State law providing for the sanctioning of such service delivery areas for failure to meet performance measures for workforce investment activities, may use the State law to sanction local areas for failure to meet State performance measures under this title.

(4) GENERAL WAIVERS OF STATUTORY OR REGULATORY REQUIREMENTS.—

(A) GENERAL AUTHORITY.—Notwithstanding any other provision of law, the Secretary may waive for a State, or a local area in a State, pursuant to a request submitted by the Governor of the State (in consultation with appropriate local elected officials) that meets the requirements of subparagraph (B)—

(i) any of the statutory or regulatory requirements of subtitle B or this subtitle (except for requirements relating to wage and labor standards, including nondisplacement protections, worker rights, participation and protection of workers and participants, grievance procedures and judicial review, nondiscrimination, allocation of funds to local areas, eligibility of providers or participants, the establishment and functions of local areas and local boards, and procedures for review and approval of plans); and

(ii) any of the statutory or regulatory requirements of sections 8 through 10 of the Wagner-Peyser Act (29 U.S.C. 49g through 49i) (excluding requirements relating to the provision of services to unemployment insurance claimants and veterans, and requirements relating to universal access to basic labor exchange services without cost to jobseekers).

(B) REQUESTS.—A Governor requesting a waiver under subparagraph (A) shall submit a plan to the Secretary to improve the statewide workforce investment system that—

(i) identifies the statutory or regulatory requirements that are requested to be waived and the goals that the State or local area in the State, as appropriate, intends to achieve as a result of the waiver;

(ii) describes the actions that the State or local area, as appropriate, has undertaken to remove State or local statutory or regulatory barriers;

(iii) describes the goals of the waiver and the expected programmatic outcomes if the request is granted;

(iv) describes the individuals impacted by the waiver; and

(v) describes the process used to monitor the progress in implementing such a waiver, and the process by which notice and an opportunity to comment on such request has been provided to the local board.

(C) CONDITIONS.—Not later than 90 days after the date of the original submission of a request for a waiver under subparagraph (A), the Secretary shall provide a waiver under this paragraph if and only to the extent that—

(i) the Secretary determines that the requirements requested to be waived impede the ability of the State or local area, as appropriate, to implement the plan described in subparagraph (B); and

(ii) the State has executed a memorandum of understanding with the Secretary requiring such State to meet, or ensure that the local area meets, agreed-upon outcomes and to implement other appropriate measures to ensure accountability.

SEC. 190. REFERENCE.

Effective on the date of the enactment of the Workforce Investment Act of 1998, all references in any other provision of law (other than section 665 of title 18, United States Code) to the Comprehensive Employment and Training Act, or to the Job Training Partnership Act, as the case may be, shall be deemed to refer to Workforce Investment Act of 1998.''.

SEC. 191. STATE LEGISLATIVE AUTHORITY.

(a) AUTHORITY OF STATE LEGISLATURE.—Nothing in this title shall be interpreted to preclude the enactment of State legislation providing for the implementation, consistent with the provisions of this title, of the activities assisted under this title. Any funds received by a State under this title shall be subject to appropriation by the State legislature, consistent with the terms and conditions required under this title.

(b) INTERSTATE COMPACTS AND COOPERATIVE AGREEMENTS.—In the event that compliance with provisions of this title would be enhanced by compacts and cooperative agreements between States, the consent of Congress is given to States to enter into such compacts and agreements to facilitate such compliance, subject to the approval of the Secretary.

SEC. 192. WORKFORCE FLEXIBILITY PLANS.

(a) PLANS.—A State may submit to the Secretary, and the Secretary may approve, a workforce flexibility plan under which the State is authorized to waive, in accordance with the plan—

(1) any of the statutory or regulatory requirements applicable under this title to local areas, pursuant to applications for such waivers from the local areas, except for requirements relating to the basic purposes of this title, wage and labor standards, grievance procedures and judicial review, nondiscrimination, eligibility of participants, allocation of funds to local areas, establishment and functions of local areas and local boards, review and approval of local plans, and worker rights, participation, and protection;

(2) any of the statutory or regulatory requirements applicable under sections 8 through 10 of the Wagner-Peyser Act (29 U.S.C. 49g through 49i) to the State, except for requirements relating to the provision of services to unemployment insurance claimants and veterans, and to universal access to basic labor exchange services without cost to jobseekers; and

(3) any of the statutory or regulatory requirements applicable under the Older Americans Act of 1965 (42 U.S.C. 3001 et seq.) to State agencies on aging with respect to activities carried out using funds allotted under section 506(a)(3) of such Act (42 U.S.C. 3056d(a)(3)), except for requirements relating to the basic purposes of such Act, wage and labor standards, eligibility of participants in the activities, and standards for agreements.

(b) CONTENT OF PLANS.—A workforce flexibility plan implemented by a State under subsection (a) shall include descriptions of—

(1)(A) the process by which local areas in the State may submit and obtain approval by the State of applications for waivers of requirements applicable under this title; and

(B) the requirements described in subparagraph (A) that are likely to be waived by the State under the plan;

(2) the requirements applicable under sections 8 through 10 of the Wagner-Peyser Act that are proposed to be waived, if any;

(3) the requirements applicable under the Older Americans Act of 1965 that are proposed to be waived, if any;

(4) the outcomes to be achieved by the waivers described in paragraphs (1) through (3); and

(5) other measures to be taken to ensure appropriate accountability for Federal funds in connection with the waivers.

(c) PERIODS.—The Secretary may approve a workforce flexibility plan for a period of not more than 5 years.

(d) OPPORTUNITY FOR PUBLIC COMMENTS.—Prior to submitting a workforce flexibility plan to the Secretary for approval, the State shall provide to all interested parties and to the general public adequate notice and a reasonable opportunity for comment on the waiver requests proposed to be implemented pursuant to such plan.

SEC. 193. USE OF CERTAIN REAL PROPERTY.

(a) IN GENERAL.—Notwithstanding any other provision of law, the Governor may authorize a public agency to make available, for the use of a one-stop service delivery system within the State which is carried out by a consortium of entities that includes the public agency, real property in which, as of the date of the enactment of the Workforce Investment Act of 1998, the Federal Government has acquired equity through the use of funds provided under title III of the Social Security Act (42 U.S.C. 501 et seq.), section 903(c) of such Act (42 U.S.C. 1103(c)), or the Wagner-Peyser Act (29 U.S.C. 49 et seq.).

(b) USE OF FUNDS.—Subsequent to the commencement of the use of the property described in subsection (a) for the functions of a one-stop service delivery system, funds provided under the provisions of law described in subsection (a) may only be used to acquire further equity in such property, or to pay operating and maintenance expenses relating to such property in proportion to the extent of the use of such property attributable to the activities authorized under such provisions of law.

SEC. 194. CONTINUATION OF STATE ACTIVITIES AND POLICIES.

(a) IN GENERAL.—Notwithstanding any other provision of this title, the Secretary may not deny approval of a State plan for a covered State, or an application of a covered State for financial assistance, under this title or find a covered State (including a State board or Governor), or a local area (including a local board or chief elected official) in a covered State, in violation of a provision of this title, on the basis that—

(1)(A) the State proposes to allocate or disburse, allocates, or disburses, within the State, funds made available to the State under section 127 or 132 in accordance with the allocation formula for the type of activities involved, or in accordance with a disbursal procedure or process, used by the State under prior consistent State laws; or

(B) a local board in the State proposes to disburse, or disburses, within the local area, funds made available to a State under section 127 or 132 in accordance with a disbursal procedure or process used by a private industry council under prior consistent State law;

(2) the State proposes to carry out or carries out a State procedure through which local areas use, as fiscal agents for funds made available to the State under section 127 or 132 and allocated within the State, fiscal agents selected in accordance with a process established under prior consistent State laws;

(3) the State proposes to carry out or carries out a State procedure through which the local board in the State (or the local boards, the chief elected officials in the State, and the Governor) designate or select the one-stop partners and one-stop operators of the statewide system in the State under prior consistent State laws, in lieu of making the designation, or certification described in section 121 (regardless of the date the one-stop delivery systems involved have been established);

(4) the State proposes to carry out or carries out a State procedure through which the persons responsible for selecting eligible providers for purposes of subtitle B are permitted to determine that a provider shall not be selected to provide both intake services under section 134(d)(2) and training services under section 134(d)(4), under prior consistent State laws;

(5) the State proposes to designate or designates a State board, or proposes to assign or assigns functions and roles of the State board (including determining the time periods for development and submission of a State plan required under section 112), for purposes of subtitle B in accordance with prior consistent State laws; or

(6) a local board in the State proposes to use or carry out, uses, or carries out a local plan (including assigning functions and roles of the local board) for purposes of subtitle B in accordance with the authorities and requirements applicable to local plans and private industry councils under prior consistent State laws.

(b) DEFINITION.—In this section:

(1) COVERED STATE.—The term ''covered State'' means a State that enacted State laws described in paragraph (2).

(2) PRIOR CONSISTENT STATE LAWS.—The term ''prior consistent State laws'' means State laws, not inconsistent with the Job Training Partnership Act or any other applicable Federal law, that took effect on September 1, 1993, September 1, 1995, and September 1, 1997.

SEC. 195. GENERAL PROGRAM REQUIREMENTS.

Except as otherwise provided in this title, the following conditions are applicable to all programs under this title:

(1) Each program under this title shall provide employment and training opportunities to those who can benefit from, and who are most in need of, such opportunities. In addition, efforts shall be made to develop programs which contribute to occupational development, upward mobility, development of new careers, and opportunities for nontraditional employment.

(2) Funds provided under this title shall only be used for activities that are in addition to those that would otherwise be available in the local area in the absence of such funds.

(3)(A) Any local area may enter into an agreement with another local area (including a local area that is a city or county within the same labor market) to pay or share the cost of educating, training, or placing individuals participating in programs assisted under this title, including the provision of supportive services.

(B) Such agreement shall be approved by each local board providing guidance to the local area and shall be described in the local plan under section 118.

(4) On-the-job training contracts under this title shall not be entered into with employers who have received payments under previous contracts and have exhibited a pattern of failing to provide on-the-job training participants with continued long-term employment as regular employees with wages and employment benefits (including health benefits) and working conditions at the same level and to the same extent as other employees working a similar length of time and doing the same type of work.

(5) No person or organization may charge an individual a fee for the placement or referral of the individual in or to a workforce investment activity under this title.

(7) The Secretary shall not provide financial assistance for any program under this title that involves political activities.

(8)(A) Income under any program administered by a public or private nonprofit entity may be retained by such entity only if such income is used to continue to carry out the program.

(B) Income subject to the requirements of subparagraph (A) shall include—

(i) receipts from goods or services (including conferences) provided as a result of activities funded under this title;

(ii) funds provided to a service provider under this title that are in excess of the costs associated with the services provided; and

(iii) interest income earned on funds received under this title.

(C) For purposes of this paragraph, each entity receiving financial assistance under this title shall maintain records sufficient to determine the amount of such income received and the purposes for which such income is expended.

(9)(A) The Secretary shall notify the Governor and the appropriate local board and chief elected official of, and consult with the Governor and such board and official concerning, any activity to be funded by the Secretary under this title within the corresponding State or local area.

(B) The Governor shall notify the appropriate local board and chief elected official of, and consult with such board and official concerning, any activity to be funded by the Governor under this title within the corresponding local area.

(10)(A) All education programs for youth supported with funds provided under chapter 4 of subtitle B shall be consistent with applicable State and local educational standards.

(B) Standards and procedures with respect to awarding academic credit and certifying educational attainment in programs conducted under such chapter shall be consistent with the requirements of applicable State and local law, including regulation.

(11) No funds available under this title may be used for public service employment except as specifically authorized under this title.

(12) The Federal requirements governing the title, use, and disposition of real property, equipment, and supplies purchased with funds provided under this title shall be the Federal requirements generally applicable to Federal grants to States and local governments.

(13) Nothing in this title shall be construed to provide an individual with an entitlement to a service under this title.

(14) Services, facilities, or equipment funded under this title may be used, as appropriate, on

a fee-for-service basis, by employers in a local area in order to provide employment and training activities to incumbent workers—

(A) when such services, facilities, or equipment are not in use for the provision of services for eligible participants under this title;

(B) if such use for incumbent workers would not have an adverse affect on the provision of services to eligible participants under this title; and

(C) if the income derived from such fees is used to carry out the programs authorized under this title.

Subtitle F—Repeals and Conforming Amendments

SEC. 199. REPEALS.

(a) GENERAL IMMEDIATE REPEALS.—The following provisions are repealed:

(1) Section 204 of the Immigration Reform and Control Act of 1986 (8 U.S.C. 1255a note).

(2) Title II of Public Law 95–250 (92 Stat. 172).

(3) The Displaced Homemakers Self-Sufficiency Assistance Act (29 U.S.C. 2301 et seq.).

(4) Section 211 of the Appalachian Regional Development Act of 1965 (40 U.S.C. App. 211).

(5) Subtitle C of title VII of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11441 et seq.), except section 738 of such title (42 U.S.C. 11448).

(6) Subchapter I of chapter 421 of title 49, United States Code.

(b) SUBSEQUENT REPEALS.—The following provisions are repealed:

(1) Title VII of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11421 et seq.), except subtitle B and section 738 of such title (42 U.S.C. 11431 et seq. and 11448).

(2) The Job Training Partnership Act (29 U.S.C. 1501 et seq.).

(c) EFFECTIVE DATES.—

(1) IMMEDIATE REPEALS.—The repeals made by subsection (a) shall take effect on the date of enactment of this Act.

(2) SUBSEQUENT REPEALS.—

(A) STEWART B. MCKINNEY HOMELESS ASSISTANCE ACT.—The repeal made by subsection (b)(1) shall take effect on July 1, 1999.

(B) JOB TRAINING PARTNERSHIP ACT.—The repeal made by subsection (b)(2) shall take effect on July 1, 2000.

SEC. 199A. CONFORMING AMENDMENTS.

(a) PREPARATION.—After consultation with the appropriate committees of Congress and the Director of the Office of Management and Budget, the Secretary shall prepare recommended legislation containing technical and conforming amendments to reflect the changes made by this subtitle.

(b) SUBMISSION TO CONGRESS.—Not later than 6 months after the date of enactment of this Act, the Secretary shall submit to Congress the recommended legislation referred to under subsection (a).

(c) REFERENCES.—All references in any other provision of law to a provision of the Comprehensive Employment and Training Act, or of the Job Training Partnership Act, as the case may be, shall be deemed to refer to the corresponding provision of this title.

TITLE II—ADULT EDUCATION AND LITERACY

SEC. 201. SHORT TITLE.

This title may be cited as the ''Adult Education and Family Literacy Act''.

SEC. 202. PURPOSE.

It is the purpose of this title to create a partnership among the Federal Government, States, and localities to provide, on a voluntary basis, adult education and literacy services, in order to—

(1) assist adults to become literate and obtain the knowledge and skills necessary for employment and self-sufficiency;

(2) assist adults who are parents to obtain the educational skills necessary to become full partners in the educational development of their children; and

(3) assist adults in the completion of a secondary school education.

SEC. 203. DEFINITIONS.

In this subtitle:

(1) ADULT EDUCATION.—The term ''adult education'' means services or instruction below the postsecondary level for individuals—

(A) who have attained 16 years of age;

(B) who are not enrolled or required to be enrolled in secondary school under State law; and

(C) who—

(i) lack sufficient mastery of basic educational skills to enable the individuals to function effectively in society;

(ii) do not have a secondary school diploma or its recognized equivalent, and have not achieved an equivalent level of education; or

(iii) are unable to speak, read, or write the English language.

(2) ADULT EDUCATION AND LITERACY ACTIVITIES.—The term ''adult education and literacy activities'' means activities described in section 231(b).

(3) EDUCATIONAL SERVICE AGENCY.—The term ''educational service agency'' means a regional public multiservice agency authorized by State statute to develop and manage a service or program, and to provide the service or program to a local educational agency.

(4) ELIGIBLE AGENCY.—The term ''eligible agency'' means the sole entity or agency in a State or an outlying area responsible for administering or supervising policy for adult education and literacy in the State or outlying area, respectively, consistent with the law of the State or outlying area, respectively.

(5) ELIGIBLE PROVIDER.—The term ''eligible provider'' means—

(A) a local educational agency;

(B) a community-based organization of demonstrated effectiveness;

(C) a volunteer literacy organization of demonstrated effectiveness;

(D) an institution of higher education;

(E) a public or private nonprofit agency;

(F) a library;

(G) a public housing authority;

(H) a nonprofit institution that is not described in any of subparagraphs (A) through (G) and has the ability to provide literacy services to adults and families; and

(I) a consortium of the agencies, organizations, institutions, libraries, or authorities described in any of subparagraphs (A) through (H).

(6) ENGLISH LITERACY PROGRAM.—The term ''English literacy program'' means a program of instruction designed to help individuals of limited English proficiency achieve competence in the English language.

(7) FAMILY LITERACY SERVICES.—The term ''family literacy services'' means services that are of sufficient intensity in terms of hours, and of sufficient duration, to make sustainable changes in a family, and that integrate all of the following activities:

(A) Interactive literacy activities between parents and their children.

(B) Training for parents regarding how to be the primary teacher for their children and full partners in the education of their children.

(C) Parent literacy training that leads to economic self-sufficiency.

(D) An age-appropriate education to prepare children for success in school and life experiences.

(8) GOVERNOR.—The term ''Governor'' means the chief executive officer of a State or outlying area.

(9) INDIVIDUAL WITH A DISABILITY.—

(A) IN GENERAL.—The term ''individual with a disability'' means an individual with any disability (as defined in section 3 of the Americans with Disabilities Act of 1990 (42 U.S.C. 12102)).

(B) INDIVIDUALS WITH DISABILITIES.—The term ''individuals with disabilities'' means more than 1 individual with a disability.

(10) INDIVIDUAL OF LIMITED ENGLISH PROFICIENCY.—The term ''individual of limited English proficiency'' means an adult or out-of-school youth who has limited ability in speaking, reading, writing, or understanding the English language, and—

(A) whose native language is a language other than English; or

(B) who lives in a family or community environment where a language other than English is the dominant language.

(11) INSTITUTION OF HIGHER EDUCATION.—The term ''institution of higher education'' has the meaning given the term in section 1201 of the Higher Education Act of 1965 (20 U.S.C. 1141).

(12) LITERACY.—The term ''literacy'' means an individual's ability to read, write, and speak in English, compute, and solve problems, at levels of proficiency necessary to function on the job, in the family of the individual, and in society.

(13) LOCAL EDUCATIONAL AGENCY.—The term ''local educational agency'' has the meaning given the term in section 14101 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 8801).

(14) OUTLYING AREA.—The term ''outlying area'' has the meaning given the term in section 101.

(15) POSTSECONDARY EDUCATIONAL INSTITUTION.—The term ''postsecondary educational institution'' means—

(A) an institution of higher education that provides not less than a 2-year program of instruction that is acceptable for credit toward a bachelor's degree;

(B) a tribally controlled community college; or

(C) a nonprofit educational institution offering certificate or apprenticeship programs at the postsecondary level.

(16) SECRETARY.—The term ''Secretary'' means the Secretary of Education.

(17) STATE.—The term ''State'' means each of the several States of the United States, the District of Columbia, and the Commonwealth of Puerto Rico.

(18) WORKPLACE LITERACY SERVICES.—The term ''workplace literacy services'' means literacy services that are offered for the purpose of improving the productivity of the workforce through the improvement of literacy skills.

SEC. 204. HOME SCHOOLS.

Nothing in this subtitle shall be construed to affect home schools, or to compel a parent engaged in home schooling to participate in an English literacy program, family literacy services, or adult education.

SEC. 205. AUTHORIZATION OF APPROPRIATIONS.

There is authorized to be appropriated to carry out this subtitle such sums as may be necessary for each of the fiscal years 1999 through 2003.

Subtitle A—Adult Education and Literacy Programs

CHAPTER 1—FEDERAL PROVISIONS

SEC. 211. RESERVATION OF FUNDS; GRANTS TO ELIGIBLE AGENCIES; ALLOTMENTS.

(a) RESERVATION OF FUNDS.—From the sum appropriated under section 205 for a fiscal year, the Secretary—

(1) shall reserve 1.5 percent to carry out section 242, except that the amount so reserved shall not exceed $8,000,000;

(2) shall reserve 1.5 percent to carry out section 243, except that the amount so reserved shall not exceed $8,000,000; and

(3) shall make available, to the Secretary of Labor, 1.72 percent for incentive grants under section 503.

(b) GRANTS TO ELIGIBLE AGENCIES.—

(1) IN GENERAL.—From the sum appropriated under section 205 and not reserved under subsection (a) for a fiscal year, the Secretary shall award a grant to each eligible agency having a State plan approved under section 224 in an amount equal to the sum of the initial allotment under subsection (c)(1) and the additional allotment under subsection (c)(2) for the eligible

agency for the fiscal year, subject to subsections (f) and (g), to enable the eligible agency to carry out the activities assisted under this subtitle.

(2) PURPOSE OF GRANTS.—The Secretary may award a grant under paragraph (1) only if the eligible entity involved agrees to expend the grant for adult education and literacy activities in accordance with the provisions of this subtitle.

(c) ALLOTMENTS.—

(1) INITIAL ALLOTMENTS.—From the sum appropriated under section 205 and not reserved under subsection (a) for a fiscal year, the Secretary shall allot to each eligible agency having a State plan approved under section 224(f)—

(A) $100,000, in the case of an eligible agency serving an outlying area.

(B) $250,000, in the case of any other eligible agency.

(2) ADDITIONAL ALLOTMENTS.—From the sum appropriated under section 205, not reserved under subsection (a), and not allotted under paragraph (1), for a fiscal year, the Secretary shall allot to each eligible agency that receives an initial allotment under paragraph (1) an additional amount that bears the same relationship to such sum as the number of qualifying adults in the State or outlying area served by the eligible agency bears to the number of such adults in all States and outlying areas.

(d) QUALIFYING ADULT.—For the purpose of subsection (c)(2), the term ''qualifying adult'' means an adult who—

(1) is at least 16 years of age, but less than 61 years of age;

(2) is beyond the age of compulsory school attendance under the law of the State or outlying area;

(3) does not have a secondary school diploma or its recognized equivalent; and

(4) is not enrolled in secondary school.

(e) SPECIAL RULE.—

(1) IN GENERAL.—From amounts made available under subsection (c) for the Republic of the Marshall Islands, the Federated States of Micronesia, and the Republic of Palau, the Secretary shall award grants to Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, the Republic of the Marshall Islands, the Federated States of Micronesia, or the Republic of Palau to carry out activities described in this subtitle in accordance with the provisions of this subtitle that the Secretary determines are not inconsistent with this subsection.

(2) AWARD BASIS.—The Secretary shall award grants pursuant to paragraph (1) on a competitive basis and pursuant to recommendations from the Pacific Region Educational Laboratory in Honolulu, Hawaii.

(3) TERMINATION OF ELIGIBILITY.—Notwithstanding any other provision of law, the Republic of the Marshall Islands, the Federated States of Micronesia, and the Republic of Palau shall not receive any funds under this subtitle for any fiscal year that begins after September 30, 2001.

(4) ADMINISTRATIVE COSTS.—The Secretary may provide not more than 5 percent of the funds made available for grants under this subsection to pay the administrative costs of the Pacific Region Educational Laboratory regarding activities assisted under this subsection.

(f) HOLD-HARMLESS.—

(1) IN GENERAL.—Notwithstanding subsection (c)—

(A) for fiscal year 1999, no eligible agency shall receive an allotment under this subtitle that is less than 90 percent of the payments made to the State or outlying area of the eligible agency for fiscal year 1998 for programs for which funds were authorized to be appropriated under section 313 of the Adult Education Act (as such Act was in effect on the day before the date of the enactment of the Workforce Investment Act of 1998); and

(B) for fiscal year 2000 and each succeeding fiscal year, no eligible agency shall receive an allotment under this subtitle that is less than 90 percent of the allotment the eligible agency received for the preceding fiscal year under this subtitle.

(2) RATABLE REDUCTION.—If for any fiscal year the amount available for allotment under this subtitle is insufficient to satisfy the provisions of paragraph (1), the Secretary shall ratably reduce the payments to all eligible agencies, as necessary.

(g) REALLOTMENT.—The portion of any eligible agency's allotment under this subtitle for a fiscal year that the Secretary determines will not be required for the period such allotment is available for carrying out activities under this subtitle, shall be available for reallotment from time to time, on such dates during such period as the Secretary shall fix, to other eligible agencies in proportion to the original allotments to such agencies under this subtitle for such year.

SEC. 212. PERFORMANCE ACCOUNTABILITY SYSTEM.

(a) PURPOSE.—The purpose of this section is to establish a comprehensive performance accountability system, comprised of the activities described in this section, to assess the effectiveness of eligible agencies in achieving continuous improvement of adult education and literacy activities funded under this subtitle, in order to optimize the return on investment of Federal funds in adult education and literacy activities.

(b) ELIGIBLE AGENCY PERFORMANCE MEASURES.—

(1) IN GENERAL.—For each eligible agency, the eligible agency performance measures shall consist of—

(A)(i) the core indicators of performance described in paragraph (2)(A); and

(ii) additional indicators of performance (if any) identified by the eligible agency under paragraph (2)(B); and

(B) an eligible agency adjusted level of performance for each indicator described in subparagraph (A).

(2) INDICATORS OF PERFORMANCE.—

(A) CORE INDICATORS OF PERFORMANCE.—The core indicators of performance shall include the following:

(i) Demonstrated improvements in literacy skill levels in reading, writing and speaking the English language, numeracy, problem-solving, English language acquisition, and other literacy skills.

(ii) Placement in, retention in, or completion of, postsecondary education, training, unsubsidized employment or career advancement.

(iii) Receipt of a secondary school diploma or its recognized equivalent.

(B) ADDITIONAL INDICATORS.—An eligible agency may identify in the State plan additional indicators for adult education and literacy activities authorized under this subtitle.

(3) LEVELS OF PERFORMANCE.—

(A) ELIGIBLE AGENCY ADJUSTED LEVELS OF PERFORMANCE FOR CORE INDICATORS.—

(i) IN GENERAL.—For each eligible agency submitting a State plan, there shall be established, in accordance with this subparagraph, levels of performance for each of the core indicators of performance described in paragraph (2)(A) for adult education and literacy activities authorized under this subtitle. The levels of performance established under this subparagraph shall, at a minimum—

(I) be expressed in an objective, quantifiable, and measurable form; and

(II) show the progress of the eligible agency toward continuously improving in performance.

(ii) IDENTIFICATION IN STATE PLAN.—Each eligible agency shall identify, in the State plan submitted under section 224, expected levels of performance for each of the core indicators of performance for the first 3 program years covered by the State plan.

(iii) AGREEMENT ON ELIGIBLE AGENCY ADJUSTED LEVELS OF PERFORMANCE FOR FIRST 3 YEARS.—In order to ensure an optimal return on the investment of Federal funds in adult education and literacy activities authorized under this subtitle, the Secretary and each eligible agency shall reach agreement on levels of performance for each of the core indicators of performance, for the first 3 program years covered by the State plan, taking into account the levels identified in the State plan under clause (ii) and the factors described in clause (iv). The levels agreed to under this clause shall be considered to be the eligible agency adjusted levels of performance for the eligible agency for such years and shall be incorporated into the State plan prior to the approval of such plan.

(iv) FACTORS.—The agreement described in clause (iii) or (v) shall take into account—

(I) how the levels involved compare with the eligible agency adjusted levels of performance established for other eligible agencies, taking into account factors including the characteristics of participants when the participants entered the program, and the services or instruction to be provided; and

(II) the extent to which such levels involved promote continuous improvement in performance on the performance measures by such eligible agency and ensure optimal return on the investment of Federal funds.

(v) AGREEMENT ON ELIGIBLE AGENCY ADJUSTED LEVELS OF PERFORMANCE FOR 4TH AND 5TH YEARS.—Prior to the fourth program year covered by the State plan, the Secretary and each eligible agency shall reach agreement on levels of performance for each of the core indicators of performance for the fourth and fifth program years covered by the State plan, taking into account the factors described in clause (iv). The levels agreed to under this clause shall be considered to be the eligible agency adjusted levels of performance for the eligible agency for such years and shall be incorporated into the State plan.

(vi) REVISIONS.—If unanticipated circumstances arise in a State resulting in a significant change in the factors described in clause (iv)(II), the eligible agency may request that the eligible agency adjusted levels of performance agreed to under clause (iii) or (v) be revised. The Secretary, after collaboration with the representatives described in section 136(j), shall issue objective criteria and methods for making such revisions.

(B) LEVELS OF PERFORMANCE FOR ADDITIONAL INDICATORS.—The eligible agency may identify, in the State plan, eligible agency levels of performance for each of the additional indicators described in paragraph (2)(B). Such levels shall be considered to be eligible agency adjusted levels of performance for purposes of this subtitle.

(c) REPORT.—

(1) IN GENERAL.—Each eligible agency that receives a grant under section 211(b) shall annually prepare and submit to the Secretary a report on the progress of the eligible agency in achieving eligible agency performance measures, including information on the levels of performance achieved by the eligible agency with respect to the core indicators of performance.

(2) INFORMATION DISSEMINATION.—The Secretary—

(A) shall make the information contained in such reports available to the general public through publication and other appropriate methods;

(B) shall disseminate State-by-State comparisons of the information; and

(C) shall provide the appropriate committees of Congress with copies of such reports.

CHAPTER 2—STATE PROVISIONS

SEC. 221. STATE ADMINISTRATION.

Each eligible agency shall be responsible for the State or outlying area administration of activities under this subtitle, including—

(1) the development, submission, and implementation of the State plan;

(2) consultation with other appropriate agencies, groups, and individuals that are involved in, or interested in, the development and implementation of activities assisted under this subtitle; and

(3) coordination and nonduplication with other Federal and State education, training, corrections, public housing, and social service programs.

SEC. 222. STATE DISTRIBUTION OF FUNDS; MATCHING REQUIREMENT.

(a) STATE DISTRIBUTION OF FUNDS.—Each eligible agency receiving a grant under this subtitle for a fiscal year—

(1) shall use not less than 82.5 percent of the grant funds to award grants and contracts under section 231 and to carry out section 225, of which not more than 10 percent of the 82.5 percent shall be available to carry out section 225;

(2) shall use not more than 12.5 percent of the grant funds to carry out State leadership activities under section 223; and

(3) shall use not more than 5 percent of the grant funds, or $65,000, whichever is greater, for the administrative expenses of the eligible agency.

(b) MATCHING REQUIREMENT.—

(1) IN GENERAL.—In order to receive a grant from the Secretary under section 211(b) each eligible agency shall provide, for the costs to be incurred by the eligible agency in carrying out the adult education and literacy activities for which the grant is awarded, a non-Federal contribution in an amount equal to—

(A) in the case of an eligible agency serving an outlying area, 12 percent of the total amount of funds expended for adult education and literacy activities in the outlying area, except that the Secretary may decrease the amount of funds required under this subparagraph for an eligible agency; and

(B) in the case of an eligible agency serving a State, 25 percent of the total amount of funds expended for adult education and literacy activities in the State.

(2) NON-FEDERAL CONTRIBUTION.—An eligible agency's non-Federal contribution required under paragraph (1) may be provided in cash or in kind, fairly evaluated, and shall include only non-Federal funds that are used for adult education and literacy activities in a manner that is consistent with the purpose of this subtitle.

SEC. 223. STATE LEADERSHIP ACTIVITIES.

(a) IN GENERAL.—Each eligible agency shall use funds made available under section 222(a)(2) for 1 or more of the following adult education and literacy activities:

(1) The establishment or operation of professional development programs to improve the quality of instruction provided pursuant to local activities required under section 231(b), including instruction incorporating phonemic awareness, systematic phonics, fluency, and reading comprehension, and instruction provided by volunteers or by personnel of a State or outlying area.

(2) The provision of technical assistance to eligible providers of adult education and literacy activities.

(3) The provision of technology assistance, including staff training, to eligible providers of adult education and literacy activities to enable the eligible providers to improve the quality of such activities.

(4) The support of State or regional networks of literacy resource centers.

(5) The monitoring and evaluation of the quality of, and the improvement in, adult education and literacy activities.

(6) Incentives for—

(A) program coordination and integration; and

(B) performance awards.

(7) Developing and disseminating curricula, including curricula incorporating phonemic awareness, systematic phonics, fluency, and reading comprehension.

(8) Other activities of statewide significance that promote the purpose of this title.

(9) Coordination with existing support services, such as transportation, child care, and other assistance designed to increase rates of enrollment in, and successful completion of, adult education and literacy activities, to adults enrolled in such activities.

(10) Integration of literacy instruction and occupational skill training, and promoting linkages with employers.

(11) Linkages with postsecondary educational institutions.

(b) COLLABORATION.—In carrying out this section, eligible agencies shall collaborate where possible, and avoid duplicating efforts, in order to maximize the impact of the activities described in subsection (a).

(c) STATE-IMPOSED REQUIREMENTS.—Whenever a State or outlying area implements any rule or policy relating to the administration or operation of a program authorized under this subtitle that has the effect of imposing a requirement that is not imposed under Federal law (including any rule or policy based on a State or outlying area interpretation of a Federal statute, regulation, or guideline), the State or outlying area shall identify, to eligible providers, the rule or policy as being State- or outlying area-imposed.

SEC. 224. STATE PLAN.

(a) 5-YEAR PLANS.—

(1) IN GENERAL.—Each eligible agency desiring a grant under this subtitle for any fiscal year shall submit to, or have on file with, the Secretary a 5-year State plan.

(2) COMPREHENSIVE PLAN OR APPLICATION.—The eligible agency may submit the State plan as part of a comprehensive plan or application for Federal education assistance.

(b) PLAN CONTENTS.—In developing the State plan, and any revisions to the State plan, the eligible agency shall include in the State plan or revisions—

(1) an objective assessment of the needs of individuals in the State or outlying area for adult education and literacy activities, including individuals most in need or hardest to serve;

(2) a description of the adult education and literacy activities that will be carried out with any funds received under this subtitle;

(3) a description of how the eligible agency will evaluate annually the effectiveness of the adult education and literacy activities based on the performance measures described in section 212;

(4) a description of the performance measures described in section 212 and how such performance measures will ensure the improvement of adult education and literacy activities in the State or outlying area;

(5) an assurance that the eligible agency will award not less than 1 grant under this subtitle to an eligible provider who offers flexible schedules and necessary support services (such as child care and transportation) to enable individuals, including individuals with disabilities, or individuals with other special needs, to participate in adult education and literacy activities, which eligible provider shall attempt to coordinate with support services that are not provided under this subtitle prior to using funds for adult education and literacy activities provided under this subtitle for support services;

(6) an assurance that the funds received under this subtitle will not be expended for any purpose other than for activities under this subtitle;

(7) a description of how the eligible agency will fund local activities in accordance with the considerations described in section 231(e);

(8) an assurance that the eligible agency will expend the funds under this subtitle only in a manner consistent with fiscal requirements in section 241;

(9) a description of the process that will be used for public participation and comment with respect to the State plan;

(10) a description of how the eligible agency will develop program strategies for populations that include, at a minimum—

(A) low-income students;

(B) individuals with disabilities;

(C) single parents and displaced homemakers; and

(D) individuals with multiple barriers to educational enhancement, including individuals with limited English proficiency;

(11) a description of how the adult education and literacy activities that will be carried out with any funds received under this subtitle will be integrated with other adult education, career development, and employment and training activities in the State or outlying area served by the eligible agency; and

(12) a description of the steps the eligible agency will take to ensure direct and equitable access, as required in section 231(c)(1).

(c) PLAN REVISIONS.—When changes in conditions or other factors require substantial revisions to an approved State plan, the eligible agency shall submit the revisions to the State plan to the Secretary.

(d) CONSULTATION.—The eligible agency shall—

(1) submit the State plan, and any revisions to the State plan, to the Governor of the State or outlying area for review and comment; and

(2) ensure that any comments by the Governor regarding the State plan, and any revision to the State plan, are submitted to the Secretary.

(e) PEER REVIEW.—The Secretary shall establish a peer review process to make recommendations regarding the approval of State plans.

(f) PLAN APPROVAL.—A State plan submitted to the Secretary shall be approved by the Secretary unless the Secretary makes a written determination, within 90 days after receiving the plan, that the plan is inconsistent with the specific provisions of this subtitle.

SEC. 225. PROGRAMS FOR CORRECTIONS EDUCATION AND OTHER INSTITUTIONALIZED INDIVIDUALS.

(a) PROGRAM AUTHORIZED.—From funds made available under section 222(a)(1) for a fiscal year, each eligible agency shall carry out corrections education or education for other institutionalized individuals.

(b) USES OF FUNDS.—The funds described in subsection (a) shall be used for the cost of educational programs for criminal offenders in correctional institutions and for other institutionalized individuals, including academic programs for—

(1) basic education;

(2) special education programs as determined by the eligible agency;

(3) English literacy programs; and

(4) secondary school credit programs.

(c) PRIORITY.—Each eligible agency that is using assistance provided under this section to carry out a program for criminal offenders in a correctional institution shall give priority to serving individuals who are likely to leave the correctional institution with 5 years of participation in the program.

(d) DEFINITION OF CRIMINAL OFFENDER.—

(1) CRIMINAL OFFENDER.—The term ''criminal offender'' means any individual who is charged with or convicted of any criminal offense.

(2) CORRECTIONAL INSTITUTION.—The term ''correctional institution'' means any—

(A) prison;

(B) jail;

(C) reformatory;

(D) work farm;

(E) detention center; or

(F) halfway house, community-based rehabilitation center, or any other similar institution designed for the confinement or rehabilitation of criminal offenders.

CHAPTER 3—LOCAL PROVISIONS

SEC. 231. GRANTS AND CONTRACTS FOR ELIGIBLE PROVIDERS.

(a) GRANTS AND CONTRACTS.—From grant funds made available under section 211(b), each eligible agency shall award multiyear grants or contracts, on a competitive basis, to eligible providers within the State or outlying area to enable the eligible providers to develop, implement,

and improve adult education and literacy activities within the State.

(b) REQUIRED LOCAL ACTIVITIES.—The eligible agency shall require that each eligible provider receiving a grant or contract under subsection (a) use the grant or contract to establish or operate 1 or more programs that provide services or instruction in 1 or more of the following categories:

(1) Adult education and literacy services, including workplace literacy services.

(2) Family literacy services.

(3) English literacy programs.

(c) DIRECT AND EQUITABLE ACCESS; SAME PROCESS.—Each eligible agency receiving funds under this subtitle shall ensure that—

(1) all eligible providers have direct and equitable access to apply for grants or contracts under this section; and

(2) the same grant or contract announcement process and application process is used for all eligible providers in the State or outlying area.

(d) SPECIAL RULE.—Each eligible agency awarding a grant or contract under this section shall not use any funds made available under this subtitle for adult education and literacy activities for the purpose of supporting or providing programs, services, or activities for individuals who are not individuals described in subparagraphs (A) and (B) of section 203(1), except that such agency may use such funds for such purpose if such programs, services, or activities are related to family literacy services. In providing family literacy services under this subtitle, an eligible provider shall attempt to coordinate with programs and services that are not assisted under this subtitle prior to using funds for adult education and literacy activities under this subtitle for activities other than adult education activities.

(e) CONSIDERATIONS.—In awarding grants or contracts under this section, the eligible agency shall consider—

(1) the degree to which the eligible provider will establish measurable goals for participant outcomes;

(2) the past effectiveness of an eligible provider in improving the literacy skills of adults and families, and, after the 1-year period beginning with the adoption of an eligible agency's performance measures under section 212, the success of an eligible provider receiving funding under this subtitle in meeting or exceeding such performance measures, especially with respect to those adults with the lowest levels of literacy;

(3) the commitment of the eligible provider to serve individuals in the community who are most in need of literacy services, including individuals who are low-income or have minimal literacy skills;

(4) whether or not the program—

(A) is of sufficient intensity and duration for participants to achieve substantial learning gains; and

(B) uses instructional practices, such as phonemic awareness, systematic phonics, fluency, and reading comprehension that research has proven to be effective in teaching individuals to read;

(5) whether the activities are built on a strong foundation of research and effective educational practice;

(6) whether the activities effectively employ advances in technology, as appropriate, including the use of computers;

(7) whether the activities provide learning in real life contexts to ensure that an individual has the skills needed to compete in the workplace and exercise the rights and responsibilities of citizenship;

(8) whether the activities are staffed by well-trained instructors, counselors, and administrators;

(9) whether the activities coordinate with other available resources in the community, such as by establishing strong links with elementary schools and secondary schools, post-secondary educational institutions, one-stop centers, job training programs, and social service agencies;

(10) whether the activities offer flexible schedules and support services (such as child care and transportation) that are necessary to enable individuals, including individuals with disabilities or other special needs, to attend and complete programs;

(11) whether the activities maintain a high-quality information management system that has the capacity to report participant outcomes and to monitor program performance against the eligible agency performance measures; and

(12) whether the local communities have a demonstrated need for additional English literacy programs.

SEC. 232. LOCAL APPLICATION.

Each eligible provider desiring a grant or contract under this subtitle shall submit an application to the eligible agency containing such information and assurances as the eligible agency may require, including—

(1) a description of how funds awarded under this subtitle will be spent; and

(2) a description of any cooperative arrangements the eligible provider has with other agencies, institutions, or organizations for the delivery of adult education and literacy activities.

SEC. 233. LOCAL ADMINISTRATIVE COST LIMITS.

(a) IN GENERAL.—Subject to subsection (b), of the amount that is made available under this subtitle to an eligible provider—

(1) not less than 95 percent shall be expended for carrying out adult education and literacy activities; and

(2) the remaining amount, not to exceed 5 percent, shall be used for planning, administration, personnel development, and interagency coordination.

(b) SPECIAL RULE.—In cases where the cost limits described in subsection (a) are too restrictive to allow for adequate planning, administration, personnel development, and interagency coordination, the eligible provider shall negotiate with the eligible agency in order to determine an adequate level of funds to be used for noninstructional purposes.

CHAPTER 4—GENERAL PROVISIONS

SEC. 241. ADMINISTRATIVE PROVISIONS.

(a) SUPPLEMENT NOT SUPPLANT.—Funds made available for adult education and literacy activities under this subtitle shall supplement and not supplant other State or local public funds expended for adult education and literacy activities.

(b) MAINTENANCE OF EFFORT.—

(1) IN GENERAL.—

(A) DETERMINATION.—An eligible agency may receive funds under this subtitle for any fiscal year if the Secretary finds that the fiscal effort per student or the aggregate expenditures of such eligible agency for adult education and literacy activities, in the second preceding fiscal year, was not less than 90 percent of the fiscal effort per student or the aggregate expenditures of such eligible agency for adult education and literacy activities, in the third preceding fiscal year.

(B) PROPORTIONATE REDUCTION.—Subject to paragraphs (2), (3), and (4), for any fiscal year with respect to which the Secretary determines under subparagraph (A) that the fiscal effort or the aggregate expenditures of an eligible agency for the preceding program year were less than such effort or expenditures for the second preceding program year, the Secretary—

(i) shall determine the percentage decreases in such effort or in such expenditures; and

(ii) shall decrease the payment made under this subtitle for such program year to the agency for adult education and literacy activities by the lesser of such percentages.

(2) COMPUTATION.—In computing the fiscal effort and aggregate expenditures under paragraph (1), the Secretary shall exclude capital expenditures and special one-time project costs.

(3) DECREASE IN FEDERAL SUPPORT.—If the amount made available for adult education and literacy activities under this subtitle for a fiscal year is less than the amount made available for adult education and literacy activities under this subtitle for the preceding fiscal year, then the fiscal effort per student and the aggregate expenditures of an eligible agency required in order to avoid a reduction under paragraph (1)(B) shall be decreased by the same percentage as the percentage decrease in the amount so made available.

(4) WAIVER.—The Secretary may waive the requirements of this subsection for 1 fiscal year only, if the Secretary determines that a waiver would be equitable due to exceptional or uncontrollable circumstances, such as a natural disaster or an unforeseen and precipitous decline in the financial resources of the State or outlying area of the eligible agency. If the Secretary grants a waiver under the preceding sentence for a fiscal year, the level of effort required under paragraph (1) shall not be reduced in the subsequent fiscal year because of the waiver.

SEC. 242. NATIONAL INSTITUTE FOR LITERACY.

(a) PURPOSE.—The purpose of this section is to establish a National Institute for Literacy that—

(1) provides national leadership regarding literacy;

(2) coordinates literacy services and policy; and

(3) serves as a national resource for adult education and literacy programs by—

(A) providing the best and most current information available, including the work of the National Institute of Child Health and Human Development in the area of phonemic awareness, systematic phonics, fluency, and reading comprehension, to all recipients of Federal assistance that focuses on reading, including programs under titles I and VII of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6301 et seq. and 7401 et seq.), the Head Start Act (42 U.S.C. 9831 et seq.), the Individuals with Disabilities Education Act (20 U.S.C. 1400 et seq.), and this Act; and

(B) supporting the creation of new ways to offer services of proven effectiveness.

(b) ESTABLISHMENT.—

(1) IN GENERAL.—There is established the National Institute for Literacy (in this section referred to as the ''Institute''). The Institute shall be administered under the terms of an interagency agreement entered into by the Secretary of Education with the Secretary of Labor and the Secretary of Health and Human Services (in this section referred to as the ''Interagency Group''). The Interagency Group may include in the Institute any research and development center, institute, or clearinghouse established within the Department of Education, the Department of Labor, or the Department of Health and Human Services the purpose of which is determined by the Interagency Group to be related to the purpose of the Institute.

(2) OFFICES.—The Institute shall have offices separate from the offices of the Department of Education, the Department of Labor, and the Department of Health and Human Services.

(3) RECOMMENDATIONS.—The Interagency Group shall consider the recommendations of the National Institute for Literacy Advisory Board (in this section referred to as the ''Board'') established under subsection (e) in planning the goals of the Institute and in the implementation of any programs to achieve the goals. If the Board's recommendations are not followed, the Interagency Group shall provide a written explanation to the Board concerning actions the Interagency Group takes that are inconsistent with the Board's recommendations, including the reasons for not following the Board's recommendations with respect to the actions. The Board may also request a meeting of the Interagency Group to discuss the Board's recommendations.

(4) DAILY OPERATIONS.—The daily operations of the Institute shall be administered by the Director of the Institute.

(c) DUTIES.—

(1) IN GENERAL.—In order to provide leadership for the improvement and expansion of the system for delivery of literacy services, the Institute is authorized—

(A) to establish a national electronic data base of information that disseminates information to the broadest possible audience within the literacy and basic skills field, and that includes—

(i) effective practices in the provision of literacy and basic skills instruction, including instruction in phonemic awareness, systematic phonics, fluency, and reading comprehension, and the integration of literacy and basic skills instruction with occupational skills training;

(ii) public and private literacy and basic skills programs, and Federal, State, and local policies, affecting the provision of literacy services at the national, State, and local levels;

(iii) opportunities for technical assistance, meetings, conferences, and other opportunities that lead to the improvement of literacy and basic skills services; and

(iv) a communication network for literacy programs, providers, social service agencies, and students;

(B) to coordinate support for the provision of literacy and basic skills services across Federal agencies and at the State and local levels;

(C) to coordinate the support of reliable and replicable research and development on literacy and basic skills in families and adults across Federal agencies, especially with the Office of Educational Research and Improvement in the Department of Education, and to carry out basic and applied research and development on topics that are not being investigated by other organizations or agencies, such as the special literacy needs of individuals with learning disabilities;

(D) to collect and disseminate information on methods of advancing literacy that show great promise, including phonemic awareness, systematic phonics, fluency, and reading comprehension based on the work of the National Institute of Child Health and Human Development;

(E) to provide policy and technical assistance to Federal, State, and local entities for the improvement of policy and programs relating to literacy;

(F) to fund a network of State or regional adult literacy resource centers to assist State and local public and private nonprofit efforts to improve literacy by—

(i) encouraging the coordination of literacy services;

(ii) enhancing the capacity of State and local organizations to provide literacy services; and

(iii) serving as a link between the Institute and providers of adult education and literacy activities for the purpose of sharing information, data, research, expertise, and literacy resources;

(G) to coordinate and share information with national organizations and associations that are interested in literacy and workforce investment activities;

(H) to advise Congress and Federal departments and agencies regarding the development of policy with respect to literacy and basic skills; and

(I) to undertake other activities that lead to the improvement of the Nation's literacy delivery system and that complement other such efforts being undertaken by public and private agencies and organizations.

(2) GRANTS, CONTRACTS, AND COOPERATIVE AGREEMENTS.—The Institute may award grants to, or enter into contracts or cooperative agreements with, individuals, public or private institutions, agencies, organizations, or consortia of such institutions, agencies, or organizations to carry out the activities of the Institute.

(d) LITERACY LEADERSHIP.—

(1) IN GENERAL.—The Institute, in consultation with the Board, may award fellowships, with such stipends and allowances that the Director considers necessary, to outstanding individuals pursuing careers in adult education or literacy in the areas of instruction, management, research, or innovation.

(2) FELLOWSHIPS.—Fellowships awarded under this subsection shall be used, under the auspices of the Institute, to engage in research, education, training, technical assistance, or other activities to advance the field of adult education or literacy, including the training of volunteer literacy providers at the national, State, or local level.

(3) INTERNS AND VOLUNTEERS.—The Institute, in consultation with the Board, may award paid and unpaid internships to individuals seeking to assist the Institute in carrying out its mission. Notwithstanding section 1342 of title 31, United States Code, the Institute may accept and use voluntary and uncompensated services as the Institute determines necessary.

(e) NATIONAL INSTITUTE FOR LITERACY ADVISORY BOARD.—

(1) ESTABLISHMENT.—

(A) IN GENERAL.—There shall be a National Institute for Literacy Advisory Board (in this section referred to as the ''Board''), which shall consist of 10 individuals appointed by the President with the advice and consent of the Senate.

(B) COMPOSITION.—The Board shall be comprised of individuals who are not otherwise officers or employees of the Federal Government and who are representative of entities such as—

(i) literacy organizations and providers of literacy services, including nonprofit providers, providers of English literacy programs and services, social service organizations, and eligible providers receiving assistance under this subtitle;

(ii) businesses that have demonstrated interest in literacy programs;

(iii) literacy students, including literacy students with disabilities;

(iv) experts in the area of literacy research;

(v) State and local governments;

(vi) State Directors of adult education; and

(vii) representatives of employees, including representatives of labor organizations.

(2) DUTIES.—The Board shall—

(A) make recommendations concerning the appointment of the Director and staff of the Institute;

(B) provide independent advice on the operation of the Institute; and

(C) receive reports from the Interagency Group and the Director.

(3) FEDERAL ADVISORY COMMITTEE ACT.—Except as otherwise provided, the Board established by this subsection shall be subject to the provisions of the Federal Advisory Committee Act (5 U.S.C. App.).

(4) APPOINTMENTS.—

(A) IN GENERAL.—Each member of the Board shall be appointed for a term of 3 years, except that the initial terms for members may be 1, 2, or 3 years in order to establish a rotation in which ⅓ of the members are selected each year. Any such member may be appointed for not more than 2 consecutive terms.

(B) VACANCIES.—Any member appointed to fill a vacancy occurring before the expiration of the term for which the member's predecessor was appointed shall be appointed only for the remainder of that term. A member may serve after the expiration of that member's term until a successor has taken office.

(5) QUORUM.—A majority of the members of the Board shall constitute a quorum but a lesser number may hold hearings. Any recommendation of the Board may be passed only by a majority of the Board's members present.

(6) ELECTION OF OFFICERS.—The Chairperson and Vice Chairperson of the Board shall be elected by the members of the Board. The term of office of the Chairperson and Vice Chairperson shall be 2 years.

(7) MEETINGS.—The Board shall meet at the call of the Chairperson or a majority of the members of the Board.

(f) GIFTS, BEQUESTS, AND DEVISES.—

(1) IN GENERAL.—The Institute may accept, administer, and use gifts or donations of services, money, or property, whether real or personal, tangible or intangible.

(2) RULES.—The Board shall establish written rules setting forth the criteria to be used by the Institute in determining whether the acceptance of contributions of services, money, or property whether real or personal, tangible or intangible, would reflect unfavorably upon the ability of the Institute or any employee to carry out the responsibilities of the Institute or employee, or official duties, in a fair and objective manner, or would compromise the integrity or the appearance of the integrity of the Institute's programs or any official involved in those programs.

(g) MAILS.—The Board and the Institute may use the United States mails in the same manner and under the same conditions as other departments and agencies of the United States.

(h) STAFF.—The Interagency Group, after considering recommendations made by the Board, shall appoint and fix the pay of a Director.

(i) APPLICABILITY OF CERTAIN CIVIL SERVICE LAWS.—The Director and staff of the Institute may be appointed without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and may be paid without regard to the provisions of chapter 51 and subchapter III of chapter 53 of that title relating to classification and General Schedule pay rates, except that an individual so appointed may not receive pay in excess of the annual rate of basic pay payable for level IV of the Executive Schedule.

(j) EXPERTS AND CONSULTANTS.—The Institute may procure temporary and intermittent services under section 3109(b) of title 5, United States Code.

(k) REPORT.—The Institute shall submit a report biennially to the Committee on Education and the Workforce of the House of Representatives and the Committee on Labor and Human Resources of the Senate. Each report submitted under this subsection shall include—

(1) a comprehensive and detailed description of the Institute's operations, activities, financial condition, and accomplishments in the field of literacy for the period covered by the report;

(2) a description of how plans for the operation of the Institute for the succeeding 2 fiscal years will facilitate achievement of the goals of the Institute and the goals of the literacy programs within the Department of Education, the Department of Labor, and the Department of Health and Human Services; and

(3) any additional minority, or dissenting views submitted by members of the Board.

(l) FUNDING.—Any amounts appropriated to the Secretary, the Secretary of Labor, the Secretary of Health and Human Services, or any other department that participates in the Institute for purposes that the Institute is authorized to perform under this section may be provided to the Institute for such purposes.

SEC. 243. NATIONAL LEADERSHIP ACTIVITIES.

The Secretary shall establish and carry out a program of national leadership activities to enhance the quality of adult education and literacy programs nationwide. Such activities may include the following:

(1) Technical assistance, including—

(A) assistance provided to eligible providers in developing and using performance measures for the improvement of adult education and literacy activities, including family literacy services;

(B) assistance related to professional development activities, and assistance for the purposes of developing, improving, identifying, and disseminating the most successful methods and techniques for providing adult education and literacy activities, including family literacy services, based on scientific evidence where available; and

(C) assistance in distance learning and promoting and improving the use of technology in the classroom.

(2) Funding national leadership activities that are not described in paragraph (1), either directly or through grants, contracts, or cooperative agreements awarded on a competitive basis to or with postsecondary educational institutions, public or private organizations or agencies, or consortia of such institutions, organizations, or agencies, such as—

(A) developing, improving, and identifying the most successful methods and techniques for addressing the education needs of adults, including instructional practices using phonemic awareness, systematic phonics, fluency, and reading comprehension, based on the work of the National Institute of Child Health and Human Development;

(B) increasing the effectiveness of, and improving the qualify of, adult education and literacy activities, including family literacy services;

(C) carrying out research, such as estimating the number of adults functioning at the lowest levels of literacy proficiency;

(D)(i) carrying out demonstration programs;

(ii) developing and replicating model and innovative programs, such as the development of models for basic skill certificates, identification of effective strategies for working with adults with learning disabilities and with individuals with limited English proficiency who are adults, and workplace literacy programs; and

(iii) disseminating best practices information, including information regarding promising practices resulting from federally funded demonstration programs;

(E) providing for the conduct of an independent evaluation and assessment of adult education and literacy activities through studies and analyses conducted independently through grants and contracts awarded on a competitive basis, which evaluation and assessment shall include descriptions of—

(i) the effect of performance measures and other measures of accountability on the delivery of adult education and literacy activities, including family literacy services;

(ii) the extent to which the adult education and literacy activities, including family literacy services, increase the literacy skills of adults (and of children, in the case of family literacy services), lead the participants in such activities to involvement in further education and training, enhance the employment and earnings of such participants, and, if applicable, lead to other positive outcomes, such as reductions in recidivism in the case of prison-based adult education and literacy activities;

(iii) the extent to which the provision of support services to adults enrolled in adult education and family literacy programs increase the rate of enrollment in, and successful completion of, such programs; and

(iv) the extent to which eligible agencies have distributed funds under section 231 to meet the needs of adults through community-based organizations;

(F) supporting efforts aimed at capacity building at the State and local levels, such as technical assistance in program planning, assessment, evaluation, and monitoring of activities carried out under this subtitle;

(G) collecting data, such as data regarding the improvement of both local and State data systems, through technical assistance and development of model performance data collection systems; and

(H) other activities designed to enhance the quality of adult education and literacy activities nationwide.

Subtitle B—Repeals

SEC. 251. REPEALS.

(a) REPEALS.—

(1) ADULT EDUCATION ACT.—The Adult Education Act (20 U.S.C. 1201 et seq.) is repealed.

(2) NATIONAL LITERACY ACT OF 1991.—The National Literacy Act of 1991 (20 U.S.C. 1201 note) is repealed.

(b) CONFORMING AMENDMENTS.—

(1) REFUGEE EDUCATION ASSISTANCE ACT.—Subsection (b) of section 402 of the Refugee Education Assistance Act of 1980 (8 U.S.C. 1522 note) is repealed.

(2) ELEMENTARY AND SECONDARY EDUCATION ACT OF 1965.—

(A) SECTION 1202 OF ESEA.—Section 1202(c)(1) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6362(c)(1)) is amended by striking ''Adult Education Act'' and inserting ''Adult Education and Family Literacy Act''.

(B) SECTION 1205 OF ESEA.—Section 1205(8)(B) of such Act (20 U.S.C. 6365(8)(B)) is amended by striking ''Adult Education Act'' and inserting ''Adult Education and Family Literacy Act''.

(C) SECTION 1206 OF ESEA.—Section 1206(a)(1)(A) of such Act (20 U.S.C. 6366(a)(1)(A)) is amended by striking ''an adult basic education program under the Adult Education Act'' and inserting ''adult education and literacy activities under the Adult Education and Family Literacy Act''.

(D) SECTION 3113 OF ESEA.—Section 3113(1) of such Act (20 U.S.C. 6813(1)) is amended by striking ''section 312 of the Adult Education Act'' and inserting ''section 203 of the Adult Education and Family Literacy Act''.

(E) SECTION 9161 OF ESEA.—Section 9161(2) of such Act (20 U.S.C. 7881(2)) is amended by striking ''section 312(2) of the Adult Education Act'' and inserting ''section 203 of the Adult Education and Family Literacy Act''.

(3) OLDER AMERICANS ACT OF 1965.—Section 203(b)(8) of the Older Americans Act of 1965 (42 U.S.C. 3013(b)(8)) is amended by striking ''Adult Education Act'' and inserting ''Adult Education and Family Literacy Act''.

TITLE III—WORKFORCE INVESTMENT-RELATED ACTIVITIES

Subtitle A—Wagner-Peyser Act

SEC. 301. DEFINITIONS.

Section 2 of the Wagner-Peyser Act (29 U.S.C. 49a) is amended—

(1) in paragraph (1)—

(A) by striking ''or officials''; and

(B) by striking ''Job Training Partnership Act'' and inserting ''Workforce Investment Act of 1998'';

(2) by striking paragraphs (2) and (4);

(3) by redesignating paragraph (3) as paragraph (4);

(4) by inserting after paragraph (1) the following:

''(2) the term 'local workforce investment board' means a local workforce investment board established under section 117 of the Workforce Investment Act of 1998;

''(3) the term 'one-stop delivery system' means a one-stop delivery system described in section 134(c) of the Workforce Investment Act of 1998;''; and

(5) in paragraph (4) (as redesignated in paragraph (3)), by striking the semicolon and inserting ''; and''.

SEC. 302. FUNCTIONS.

(a) IN GENERAL.—Section 3 of the Wagner-Peyser Act (29 U.S.C. 49b) is amended—

(1) in subsection (a), by striking ''United States Employment Service'' and inserting ''Secretary''; and

(2) by adding at the end the following:

''(c) The Secretary shall—

''(1) assist in the coordination and development of a nationwide system of public labor exchange services, provided as part of the one-stop customer service systems of the States;

''(2) assist in the development of continuous improvement models for such nationwide system that ensure private sector satisfaction with the system and meet the demands of jobseekers relating to the system; and

''(3) ensure, for individuals otherwise eligible to receive unemployment compensation, the provision of reemployment services and other activities in which the individuals are required to participate to receive the compensation.''.

(b) CONFORMING AMENDMENTS.—Section 508(b)(1) of the Unemployment Compensation Amendments of 1976 (42 U.S.C. 603a(b)(1)) is amended—

(1) by striking ''the third sentence of section 3(a)'' and inserting ''section 3(b)''; and

(2) by striking ''49b(a)'' and inserting ''49b(b))''.

SEC. 303. DESIGNATION OF STATE AGENCIES.

Section 4 of the Wagner-Peyser Act (29 U.S.C. 49c) is amended—

(1) by striking '', through its legislature,'' and inserting '', pursuant to State statute,'';

(2) by inserting after ''the provisions of this Act and'' the following: '', in accordance with such State statute, the Governor shall''; and

(3) by striking ''United States Employment Service'' and inserting ''Secretary''.

SEC. 304. APPROPRIATIONS.

Section 5(c) of the Wagner-Peyser Act (29 U.S.C. 49d(c)) is amended by striking paragraph (3).

SEC. 305. DISPOSITION OF ALLOTTED FUNDS.

Section 7 of the Wagner-Peyser Act (29 U.S.C. 49f) is amended—

(1) in subsection (b)(2), by striking ''private industry council'' and inserting ''local workforce investment board'';

(2) in subsection (c)(2), by striking ''any program under'' and all that follows and inserting ''any workforce investment activity carried out under the Workforce Investment Act of 1998.'';

(3) in subsection (d)—

(A) by striking ''United States Employment Service'' and inserting ''Secretary''; and

(B) by striking ''Job Training Partnership Act'' and inserting ''Workforce Investment Act of 1998''; and

(4) by adding at the end the following:

''(e) All job search, placement, recruitment, labor employment statistics, and other labor exchange services authorized under subsection (a) shall be provided, consistent with the other requirements of this Act, as part of the one-stop delivery system established by the State.''.

SEC. 306. STATE PLANS.

Section 8 of the Wagner-Peyser Act (29 U.S.C. 49g) is amended—

(1) in subsection (a) to read as follows:

''(a) Any State desiring to receive assistance under this Act shall submit to the Secretary, as part of the State plan submitted under section 112 of the Workforce Investment Act of 1998, detailed plans for carrying out the provisions of this Act within such State.'';

(2) by striking subsections (b) and (c);

(3) by redesignating subsection (d) as subsection (b);

(4) by inserting after subsection (b) (as redesignated by paragraph (3)) the following:

''(c) The part of the State plan described in subsection (a) shall include the information described in paragraphs (8) and (14) of section 112(b) of the Workforce Investment Act of 1998.'';

(5) by redesignating subsection (e) as subsection (d); and

(6) in subsection (d) (as redesignated in paragraph (5)), by striking ''such plans'' and inserting ''such detailed plans''.

SEC. 307. REPEAL OF FEDERAL ADVISORY COUNCIL.

Section 11 of the Wagner-Peyser Act (29 U.S.C. 49j) is amended—

(1) by striking ''11.'' and all that follows through ''(b) In'' and inserting ''11. In''; and

(2) by striking ''Director'' and inserting ''Secretary''.

SEC. 308. REGULATIONS.

Section 12 of the Wagner-Peyser Act (29 U.S.C. 49k) is amended by striking ''The Director, with the approval of the Secretary of Labor,'' and inserting ''The Secretary''.

SEC. 309. EMPLOYMENT STATISTICS.

The Wagner-Peyser Act is amended—

(1) by redesignating section 15 (29 U.S.C. 49 note) as section 16; and

(2) by inserting after section 14 (29 U.S.C. 49l–1) the following:

''SEC. 15. EMPLOYMENT STATISTICS.

''(a) SYSTEM CONTENT.—

''(1) IN GENERAL.—The Secretary, in accordance with the provisions of this section, shall oversee the development, maintenance, and continuous improvement of a nationwide employment statistics system of employment statistics that includes—

''(A) statistical data from cooperative statistical survey and projection programs and data from administrative reporting systems that, taken together, enumerate, estimate, and project employment opportunities and conditions at national, State, and local levels in a timely manner, including statistics on—

''(i) employment and unemployment status of national, State, and local populations, including self-employed, part-time, and seasonal workers;

''(ii) industrial distribution of occupations, as well as current and projected employment opportunities, wages, benefits (where data is available), and skill trends by occupation and industry, with particular attention paid to State and local conditions;

''(iii) the incidence of, industrial and geographical location of, and number of workers displaced by, permanent layoffs and plant closings; and

''(iv) employment and earnings information maintained in a longitudinal manner to be used for research and program evaluation;

''(B) information on State and local employment opportunities, and other appropriate statistical data related to labor market dynamics, which—

''(i) shall be current and comprehensive;

''(ii) shall meet the needs identified through the consultations described in subparagraphs (A) and (B) of subsection (e)(2); and

''(iii) shall meet the needs for the information identified in section 134(d);

''(C) technical standards (which the Secretary shall publish annually) for data and information described in subparagraphs (A) and (B) that, at a minimum, meet the criteria of chapter 35 of title 44, United States Code;

''(D) procedures to ensure compatibility and additivity of the data and information described in subparagraphs (A) and (B) from national, State, and local levels;

''(E) procedures to support standardization and aggregation of data from administrative reporting systems described in subparagraph (A) of employment-related programs;

''(F) analysis of data and information described in subparagraphs (A) and (B) for uses such as—

''(i) national, State, and local policymaking;

''(ii) implementation of Federal policies (including allocation formulas);

''(iii) program planning and evaluation; and

''(iv) researching labor market dynamics;

''(G) wide dissemination of such data, information, and analysis in a user-friendly manner and voluntary technical standards for dissemination mechanisms; and

''(H) programs of—

''(i) training for effective data dissemination;

''(ii) research and demonstration; and

''(iii) programs and technical assistance.

''(2) INFORMATION TO BE CONFIDENTIAL.—

''(A) IN GENERAL.—No officer or employee of the Federal Government or agent of the Federal Government may—

''(i) use any submission that is furnished for exclusively statistical purposes under the provisions of this section for any purpose other than the statistical purposes of this section for which the submission is furnished;

''(ii) make any publication or media transmittal of the data contained in the submission described in clause (i) that permits information concerning individual subjects to be reasonably inferred by either direct or indirect means; or

''(iii) permit anyone other than a sworn officer, employee, or agent of any Federal department or agency, or a contractor (including an employee of a contractor) of such department or agency, to examine an individual submission described in clause (i);

without the consent of the individual, agency, or other person who is the subject of the submission or provides that submission.

''(B) IMMUNITY FROM LEGAL PROCESS.—Any submission (including any data derived from the submission) that is collected and retained by a Federal department or agency, or an officer, employee, agent, or contractor of such a department or agency, for exclusively statistical purposes under this section shall be immune from the legal process and shall not, without the consent of the individual, agency, or other person who is the subject of the submission or provides that submission, be admitted as evidence or used for any purpose in any action, suit, or other judicial or administrative proceeding.

''(C) RULE OF CONSTRUCTION.—Nothing in this section shall be construed to provide immunity from the legal process for such submission (including any data derived from the submission) if the submission is in the possession of any person, agency, or entity other than the Federal Government or an officer, employee, agent, or contractor of the Federal Government, or if the submission is independently collected, retained, or produced for purposes other than the purposes of this Act.

''(b) SYSTEM RESPONSIBILITIES.—

''(1) IN GENERAL.—The employment statistics system described in subsection (a) shall be planned, administered, overseen, and evaluated through a cooperative governance structure involving the Federal Government and States.

''(2) DUTIES.—The Secretary, with respect to data collection, analysis, and dissemination of labor employment statistics for the system, shall carry out the following duties:

''(A) Assign responsibilities within the Department of Labor for elements of the employment statistics system described in subsection (a) to ensure that all statistical and administrative data collected is consistent with appropriate Bureau of Labor Statistics standards and definitions.

''(B) Actively seek the cooperation of other Federal agencies to establish and maintain mechanisms for ensuring complementarity and nonduplication in the development and operation of statistical and administrative data collection activities.

''(C) Eliminate gaps and duplication in statistical undertakings, with the systemization of wage surveys as an early priority.

''(D) In collaboration with the Bureau of Labor Statistics and States, develop and maintain the elements of the employment statistics system described in subsection (a), including the development of consistent procedures and definitions for use by the States in collecting the data and information described in subparagraphs (A) and (B) of subsection (a)(1).

''(E) Establish procedures for the system to ensure that—

''(i) such data and information are timely;

''(ii) paperwork and reporting for the system are reduced to a minimum; and

''(iii) States and localities are fully involved in the development and continuous improvement of the system at all levels, including ensuring the provision, to such States and localities, of budget information necessary for carrying out their responsibilities under subsection (e).

''(c) ANNUAL PLAN.—The Secretary, working through the Bureau of Labor Statistics, and in cooperation with the States, and with the assistance of other appropriate Federal agencies, shall prepare an annual plan which shall be the mechanism for achieving cooperative management of the nationwide employment statistics system described in subsection (a) and the statewide employment statistics systems that comprise the nationwide system. The plan shall—

''(1) describe the steps the Secretary has taken in the preceding year and will take in the following 5 years to carry out the duties described in subsection (b)(2);

''(2) include a report on the results of an annual consumer satisfaction review concerning the performance of the system, including the performance of the system in addressing the needs of Congress, States, localities, employers, jobseekers, and other consumers;

''(3) evaluate the performance of the system and recommend needed improvements, taking into consideration the results of the consumer satisfaction review, with particular attention to the improvements needed at the State and local levels;

''(4) justify the budget request for annual appropriations by describing priorities for the fiscal year succeeding the fiscal year in which the plan is developed and priorities for the 5 subsequent fiscal years for the system;

''(5) describe current (as of the date of the submission of the plan) spending and spending needs to carry out activities under this section, including the costs to States and localities of meeting the requirements of subsection (e)(2); and

''(6) describe the involvement of States in the development of the plan, through formal consultations conducted by the Secretary in cooperation with representatives of the Governors of every State, and with representatives of local workforce investment boards, pursuant to a process established by the Secretary in cooperation with the States.

''(d) COORDINATION WITH THE STATES.—The Secretary, working through the Bureau of Labor Statistics, and in cooperation with the States, shall—

''(1) develop the annual plan described in subsection (c) and address other employment statistics issues by holding formal consultations, at least once each quarter (beginning with the calendar quarter in which the Workforce Investment Act of 1998 is enacted) on the products and administration of the nationwide employment statistics system; and

''(2) hold the consultations with representatives from each of the 10 Federal regions of the Department of Labor, elected (pursuant to a process established by the Secretary) by and from the State employment statistics directors affiliated with the State agencies that perform the duties described in subsection (e)(2).

''(e) STATE RESPONSIBILITIES.—

''(1) DESIGNATION OF STATE AGENCY.—In order to receive Federal financial assistance under this section, the Governor of a State shall—

''(A) designate a single State agency to be responsible for the management of the portions of the employment statistics system described in subsection (a) that comprise a statewide employment statistics system and for the State's participation in the development of the annual plan; and

''(B) establish a process for the oversight of such system.

''(2) DUTIES.—In order to receive Federal financial assistance under this section, the State agency shall—

''(A) consult with State and local employers, participants, and local workforce investment boards about the labor market relevance of the data to be collected and disseminated through the statewide employment statistics system;

''(B) consult with State educational agencies and local educational agencies concerning the provision of employment statistics in order to meet the needs of secondary school and postsecondary school students who seek such information;

''(C) collect and disseminate for the system, on behalf of the State and localities in the State, the information and data described in subparagraphs (A) and (B) of subsection (a)(1);

''(D) maintain and continuously improve the statewide employment statistics system in accordance with this section;

''(E) perform contract and grant responsibilities for data collection, analysis, and dissemination for such system;

''(F) conduct such other data collection, analysis, and dissemination activities as will ensure an effective statewide employment statistics system;

''(G) actively seek the participation of other State and local agencies in data collection, analysis, and dissemination activities in order to ensure complementarity, compatibility, and usefulness of data;

''(H) participate in the development of the annual plan described in subsection (c); and

''(I) utilize the quarterly records described in section 136(f)(2) of the Workforce Investment Act of 1998 to assist the State and other States in measuring State progress on State performance measures.

''(3) RULE OF CONSTRUCTION.—Nothing in this section shall be construed as limiting the ability of a State agency to conduct additional data collection, analysis, and dissemination activities with State funds or with Federal funds from sources other than this section.

''(f) NONDUPLICATION REQUIREMENT.—None of the functions and activities carried out pursuant to this section shall duplicate the functions and activities carried out under the Carl D. Perkins Vocational and Applied Technology Education Act (20 U.S.C. 2301 et seq.).

''(g) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section such sums as may be necessary for each of the fiscal years 1999 through 2004.

''(h) DEFINITION.—In this section, the term 'local area' means the smallest geographical area for which data can be produced with statistical reliability.''.

SEC. 310. TECHNICAL AMENDMENTS.

Sections 3(b), 6(b)(1), and 7(d) of the Wagner-Peyser Act (29 U.S.C. 49b(b), 49e(b)(1), and 49f(d)) are amended by striking ''Secretary of Labor'' and inserting ''Secretary''.

SEC. 311. EFFECTIVE DATE.

The amendments made by this subtitle shall take effect on July 1, 1999.

Subtitle B—Linkages With Other Programs

SEC. 321. TRADE ACT OF 1974.

Section 239 of the Trade Act of 1974 (19 U.S.C. 2311) is amended by adding at the end the following:

''(g) In order to promote the coordination of workforce investment activities in each State with activities carried out under this chapter, any agreement entered into under this section shall provide that the State shall submit to the Secretary, in such form as the Secretary may require, the description and information described in paragraphs (8) and (14) of section 112(b) of the Workforce Investment Act of 1998.''.

SEC. 322. VETERANS' EMPLOYMENT PROGRAMS.

Chapter 41 of title 38, United States Code, is amended by adding at the end the following:

''§ 4110B. Coordination and nonduplication

''In carrying out this chapter, the Secretary shall require that an appropriate administrative entity in each State enter into an agreement with the Secretary regarding the implementation of this Act that includes the description and information described in paragraphs (8) and (14) of section 112(b) of the Workforce Investment Act of 1998.''.

SEC. 323. OLDER AMERICANS ACT OF 1965.

Section 502(b)(1) of the Older Americans Act of 1965 (42 U.S.C. 3056(b)(1)) is amended—

(1) in subparagraph (O), by striking ''; and'' and inserting a semicolon;

(2) in subparagraph (P), by striking the period and inserting ''; and''; and

(3) by adding at the end the following subparagraph:

''(Q) will provide to the Secretary the description and information described in paragraphs (8) and (14) of section 112(b) of the Workforce Investment Act of 1998.''.

Subtitle C—Twenty-First Century Workforce Commission

SEC. 331. SHORT TITLE.

This subtitle may be cited as the ''Twenty-First Century Workforce Commission Act''.

SEC. 332. FINDINGS.

Congress finds that—

(1) information technology is one of the fastest growing areas in the United States economy;

(2) the United States is a world leader in the information technology industry;

(3) the continued growth and prosperity of the information technology industry is important to the continued prosperity of the United States economy;

(4) highly skilled employees are essential for the success of business entities in the information technology industry and other business entities that use information technology;

(5) employees in information technology jobs are highly paid;

(6) as of the date of enactment of this Act, these employees are in high demand in all industries and all regions of the United States; and

(7) through a concerted effort by business entities, the Federal Government, the governments of States and political subdivisions of States, and educational institutions, more individuals will gain the skills necessary to enter into a technology-based job market, ensuring that the United States remains the world leader in the information technology industry.

SEC. 333. DEFINITIONS.

In this subtitle:

(1) BUSINESS ENTITY.—The term ''business entity'' means a firm, corporation, association, partnership, consortium, joint venture, or other form of enterprise.

(2) COMMISSION.—The term ''Commission'' means the Twenty-First Century Workforce Commission established under section 334.

(3) INFORMATION TECHNOLOGY.—The term ''information technology'' has the meaning given that term in section 5002 of the Information Technology Management Reform Act of 1996 (110 Stat. 679).

(4) STATE.—The term ''State'' means each of the several States of the United States and the District of Columbia.

SEC. 334. ESTABLISHMENT OF TWENTY-FIRST CENTURY WORKFORCE COMMISSION.

(a) ESTABLISHMENT.—There is established a commission to be known as the Twenty-First Century Workforce Commission.

(b) MEMBERSHIP.—

(1) COMPOSITION.—

(A) IN GENERAL.—The Commission shall be composed of 15 voting members, of which—

(i) 5 members shall be appointed by the President;

(ii) 5 members shall be appointed by the Majority Leader of the Senate; and

(iii) 5 members shall be appointed by the Speaker of the House of Representatives.

(B) GOVERNMENTAL REPRESENTATIVES.—Of the members appointed under this subsection, 3 members shall be representatives of the governments of States and political subdivisions of States, 1 of whom shall be appointed by the President, 1 of whom shall be appointed by the Majority Leader of the Senate, and 1 of whom shall be appointed by the Speaker of the House of Representatives.

(C) EDUCATORS.—Of the members appointed under this subsection, 3 shall be educators who are selected from among elementary, secondary, vocational, and postsecondary educators—

(i) 1 of whom shall be appointed by the President;

(ii) 1 of whom shall be appointed by the Majority Leader of the Senate; and

(iii) 1 of whom shall be appointed by the Speaker of the House of Representatives.

(D) BUSINESS REPRESENTATIVES.—

(i) IN GENERAL.—Of the members appointed under this subsection, 8 shall be representatives of business entities (at least 3 of which shall be individuals who are employed by non-information technology business entities), 2 of whom shall be appointed by the President, 3 of whom shall be appointed by the Majority Leader of the Senate, and 3 of whom shall be appointed by the Speaker of the House of Representatives.

(ii) SIZE.—Members appointed under this subsection in accordance with clause (i) shall, to the extent practicable, include individuals from business entities of a size that is small or average.

(E) LABOR REPRESENTATIVE.—Of the members appointed under this subsection, 1 shall be a representative of a labor organization who has been nominated by a national labor federation and who shall be appointed by the President.

(F) EX-OFFICIO MEMBERS.—The Commission shall include 2 non-voting members, of which—

(i) 1 member shall be an officer or employee of the Department of Labor, who shall be appointed by the President; and

(ii) 1 member shall be an officer or employee of the Department of Education, who shall be appointed by the President.

(2) DATE.—The appointments of the members of the Commission shall be made by the later of—

(A) October 31, 1998; or

(B) the date that is 45 days after the date of enactment of this Act.

(c) PERIOD OF APPOINTMENT; VACANCIES.—Members shall be appointed for the life of the Commission. Any vacancy in the Commission shall not affect its powers, but shall be filled in the same manner as the original appointment.

(d) INITIAL MEETING.—No later than 30 days after the date on which all members of the Commission have been appointed, the Commission shall hold its first meeting.

(e) MEETINGS.—The Commission shall meet at the call of the Chairperson.

(f) QUORUM.—A majority of the members of the Commission shall constitute a quorum, but a lesser number of members may hold hearings.

(g) CHAIRPERSON AND VICE CHAIRPERSON.—The Commission shall select by vote a chairperson and vice chairperson from among its voting members.

SEC. 335. DUTIES OF THE COMMISSION.

(a) STUDY.—

(1) IN GENERAL.—The Commission shall conduct a thorough study of all matters relating to the information technology workforce in the United States.

(2) MATTERS STUDIED.—The matters studied by the Commission shall include an examination of—

(A) the skills necessary to enter the information technology workforce;

(B) ways to expand the number of skilled information technology workers; and

(C) the relative efficacy of programs in the United States and foreign countries to train information technology workers, with special emphasis on programs that provide for secondary education or postsecondary education in a program other than a 4-year baccalaureate program (including associate degree programs and graduate degree programs).

(3) PUBLIC HEARINGS.—As part of the study conducted under this subsection, the Commission shall hold public hearings in each region of the United States concerning the issues referred to in subparagraphs (A) and (B) of paragraph (2).

(4) EXISTING INFORMATION.—To the extent practicable, in carrying out the study under this subsection, the Commission shall identify and use existing information related to the issues referred to in subparagraphs (A) and (B) of paragraph (2).

(5) CONSULTATION WITH CHIEF INFORMATION OFFICERS COUNCIL.—In carrying out the study

under this subsection, the Commission shall consult with the Chief Information Officers Council established under Executive Order No. 13011.

(b) REPORT.—Not later than 6 months after the first meeting of the Commission, the Commission shall submit a report to the President and the Congress that shall contain a detailed statement of the findings and conclusions of the Commission resulting from the study, together with its recommendations for such legislation and administrative actions as the Commission considers to be appropriate.

(c) FACILITATION OF EXCHANGE OF INFORMATION.—In carrying out the study under subsection (a), the Commission shall, to the extent practicable, facilitate the exchange of information concerning the issues that are the subject of the study among—

(1) officials of the Federal Government and the governments of States and political subdivisions of States; and

(2) educators from Federal, State, and local institutions of higher education and secondary schools.

SEC. 336. POWERS OF THE COMMISSION.

(a) HEARINGS.—The Commission may hold such hearings, sit and act at such times and places, take such testimony, and receive such evidence as the Commission considers advisable to carry out the purposes of this subtitle.

(b) INFORMATION FROM FEDERAL AGENCIES.—The Commission may secure directly from any Federal department or agency such information as the Commission considers necessary to carry out the provisions of this subtitle. Upon request of the Chairperson of the Commission, the head of such department or agency shall furnish such information to the Commission.

(c) POSTAL SERVICES.—The Commission may use the United States mails in the same manner and under the same conditions as other departments and agencies of the Federal Government.

(d) GIFTS.—The Commission may accept, use, and dispose of gifts or donations of services or property.

SEC. 337. COMMISSION PERSONNEL MATTERS.

(a) COMPENSATION OF MEMBERS.—Except as provided in subsection (b), each member of the Commission who is not an officer or employee of the Federal Government shall serve without compensation. All members of the Commission who are officers or employees of the United States shall serve without compensation in addition to that received for their services as officers or employees of the United States.

(b) TRAVEL EXPENSES.—The members of the Commission shall be allowed travel expenses, including per diem in lieu of subsistence, at rates authorized for employees of agencies under subchapter I of chapter 57 of title 5, United States Code, while away from their homes or regular places of business in the performance of services for the Commission.

(c) STAFF.—

(1) IN GENERAL.—The Chairperson of the Commission may, without regard to the civil service laws and regulations, appoint and terminate an executive director and such other additional personnel as may be necessary to enable the Commission to perform its duties. The employment of an executive director shall be subject to confirmation by the Commission.

(2) COMPENSATION.—The Chairperson of the Commission may fix the compensation of the executive director and other personnel without regard to the provisions of chapter 51 and subchapter III of chapter 53 of title 5, United States Code, relating to classification of positions and General Schedule pay rates, except that the rate of pay for the executive director and other personnel may not exceed the rate payable for level V of the Executive Schedule under section 5316 of such title.

(d) DETAIL OF GOVERNMENT EMPLOYEES.—Any Federal Government employee may be detailed to the Commission without reimbursement, and such detail shall be without interruption or loss of civil service status or privilege.

(e) PROCUREMENT OF TEMPORARY AND INTERMITTENT SERVICES.—The Chairperson of the Commission may procure temporary and intermittent services under section 3109(b) of title 5, United States Code, at rates for individuals that do not exceed the daily equivalent of the annual rate of basic pay prescribed for level V of the Executive Schedule under section 5316 of such title.

SEC. 338. TERMINATION OF THE COMMISSION.

The Commission shall terminate on the date that is 90 days after the date on which the Commission submits its report under section 335(b).

SEC. 339. AUTHORIZATION OF APPROPRIATIONS.

(a) IN GENERAL.—There are authorized to be appropriated such sums as may be necessary for fiscal year 1999 to the Commission to carry out the purposes of this subtitle.

(b) AVAILABILITY.—Any sums appropriated under the authorization contained in this section shall remain available, without fiscal year limitation, until expended.

Subtitle D—Application of Civil Rights and Labor-Management Laws to the Smithsonian Institution

SEC. 341. APPLICATION OF CIVIL RIGHTS AND LABOR-MANAGEMENT LAWS TO THE SMITHSONIAN INSTITUTION.

(a) PROHIBITION ON EMPLOYMENT DISCRIMINATION ON BASIS OF RACE, COLOR, RELIGION, SEX, AND NATIONAL ORIGIN.—Section 717(a) of the Civil Rights Act of 1964 (42 U.S.C. 2000e–16(a)) is amended by inserting ''in the Smithsonian Institution,'' before ''and in the Government Printing Office,''.

(b) PROHIBITION ON EMPLOYMENT DISCRIMINATION ON BASIS OF AGE.—Section 15(a) of the Age Discrimination in Employment Act of 1967 (29 U.S.C. 633a(a)) is amended by inserting ''in the Smithsonian Institution,'' before ''and in the Government Printing Office,''.

(c) PROHIBITION ON EMPLOYMENT DISCRIMINATION ON BASIS OF DISABILITY.—Section 501 of the Rehabilitation Act of 1973 (29 U.S.C. 791) is amended—

(1) in the fourth sentence of subsection (a), in paragraph (1), by inserting ''and the Smithsonian Institution'' after ''Government'';

(2) in the first sentence of subsection (b)—

(A) by inserting ''and the Smithsonian Institution'' after ''in the executive branch''; and

(B) by striking ''such department, agency, or instrumentality'' and inserting ''such department, agency, instrumentality, or Institution''; and

(3) in subsection (d), by inserting ''and the Smithsonian Institution'' after ''instrumentality''.

(d) APPLICATION.—The amendments made by subsections (a), (b), and (c) shall take effect on the date of enactment of this Act and shall apply to and may be raised in any administrative or judicial claim or action brought before such date of enactment but pending on such date, and any administrative or judicial claim or action brought after such date regardless of whether the claim or action arose prior to such date, if the claim or action was brought within the applicable statute of limitations.

(e) LABOR-MANAGEMENT LAWS.—Section 7103(a)(3) of title 5, United States Code, is amended—

(1) by striking ''and'' after ''Library of Congress,''; and

(2) by inserting ''and the Smithsonian Institution'' after ''Government Printing Office,''.

TITLE IV—REHABILITATION ACT AMENDMENTS OF 1998

SEC. 401. SHORT TITLE.

This title may be cited as the ''Rehabilitation Act Amendments of 1998''.

SEC. 402. TITLE.

The title of the Rehabilitation Act of 1973 is amended by striking ''to establish special responsibilities'' and all that follows and inserting the following: ''to create linkage between State vocational rehabilitation programs and workforce investment activities carried out under title I of the Workforce Investment Act of 1998, to establish special responsibilities for the Secretary of Education for coordination of all activities with respect to individuals with disabilities within and across programs administered by the Federal Government, and for other purposes.''.

SEC. 403. GENERAL PROVISIONS.

The Rehabilitation Act of 1973 is amended by striking the matter preceding title I and inserting the following:

''SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

''(a) SHORT TITLE.—This Act may be cited as the 'Rehabilitation Act of 1973'.

''(b) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

''FINDINGS; PURPOSE; POLICY

''SEC. 2. (a) FINDINGS.—Congress finds that—

''(1) millions of Americans have one or more physical or mental disabilities and the number of Americans with such disabilities is increasing;

''(2) individuals with disabilities constitute one of the most disadvantaged groups in society;

''(3) disability is a natural part of the human experience and in no way diminishes the right of individuals to—

''(A) live independently;

''(B) enjoy self-determination;

''(C) make choices;

''(D) contribute to society;

''(E) pursue meaningful careers; and

''(F) enjoy full inclusion and integration in the economic, political, social, cultural, and educational mainstream of American society;

''(4) increased employment of individuals with disabilities can be achieved through implementation of statewide workforce investment systems under title I of the Workforce Investment Act of 1998 that provide meaningful and effective participation for individuals with disabilities in workforce investment activities and activities carried out under the vocational rehabilitation program established under title I, and through the provision of independent living services, support services, and meaningful opportunities for employment in integrated work settings through the provision of reasonable accommodations;

''(5) individuals with disabilities continually encounter various forms of discrimination in such critical areas as employment, housing, public accommodations, education, transportation, communication, recreation, institutionalization, health services, voting, and public services; and

''(6) the goals of the Nation properly include the goal of providing individuals with disabilities with the tools necessary to—

''(A) make informed choices and decisions; and

''(B) achieve equality of opportunity, full inclusion and integration in society, employment, independent living, and economic and social self-sufficiency, for such individuals.

''(b) PURPOSE.—The purposes of this Act are—

''(1) to empower individuals with disabilities to maximize employment, economic self-sufficiency, independence, and inclusion and integration into society, through—

''(A) statewide workforce investment systems implemented in accordance with title I of the Workforce Investment Act of 1998 that include, as integral components, comprehensive and coordinated state-of-the-art programs of vocational rehabilitation;

''(B) independent living centers and services;

''(C) research;

''(D) training;

''(E) demonstration projects; and

''(F) the guarantee of equal opportunity; and

''(2) to ensure that the Federal Government plays a leadership role in promoting the employment of individuals with disabilities, especially individuals with significant disabilities, and in assisting States and providers of services in fulfilling the aspirations of such individuals with disabilities for meaningful and gainful employment and independent living.

''(c) POLICY.—It is the policy of the United States that all programs, projects, and activities receiving assistance under this Act shall be carried out in a manner consistent with the principles of—

''(1) respect for individual dignity, personal responsibility, self-determination, and pursuit of meaningful careers, based on informed choice, of individuals with disabilities;

''(2) respect for the privacy, rights, and equal access (including the use of accessible formats), of the individuals;

''(3) inclusion, integration, and full participation of the individuals;

''(4) support for the involvement of an individual's representative if an individual with a disability requests, desires, or needs such support; and

''(5) support for individual and systemic advocacy and community involvement.

''REHABILITATION SERVICES ADMINISTRATION

''SEC. 3. (a) There is established in the Office of the Secretary a Rehabilitation Services Administration which shall be headed by a Commissioner (hereinafter in this Act referred to as the 'Commissioner') appointed by the President by and with the advice and consent of the Senate. Except for titles IV and V and as otherwise specifically provided in this Act, such Administration shall be the principal agency, and the Commissioner shall be the principal officer, of such Department for carrying out this Act. The Commissioner shall be an individual with substantial experience in rehabilitation and in rehabilitation program management. In the performance of the functions of the office, the Commissioner shall be directly responsible to the Secretary or to the Under Secretary or an appropriate Assistant Secretary of such Department, as designated by the Secretary. The functions of the Commissioner shall not be delegated to any officer not directly responsible, both with respect to program operation and administration, to the Commissioner. Any reference in this Act to duties to be carried out by the Commissioner shall be considered to be a reference to duties to be carried out by the Secretary acting through the Commissioner. In carrying out any of the functions of the office under this Act, the Commissioner shall be guided by general policies of the National Council on Disability established under title IV of this Act.

''(b) The Secretary shall take whatever action is necessary to ensure that funds appropriated pursuant to this Act are expended only for the programs, personnel, and administration of programs carried out under this Act.

''ADVANCE FUNDING

''SEC. 4. (a) For the purpose of affording adequate notice of funding available under this Act, appropriations under this Act are authorized to be included in the appropriation Act for the fiscal year preceding the fiscal year for which they are available for obligation.

''(b) In order to effect a transition to the advance funding method of timing appropriation action, the authority provided by subsection (a) of this section shall apply notwithstanding that its initial application will result in the enactment in the same year (whether in the same appropriation Act or otherwise) of two separate appropriations, one for the then current fiscal year and one for the succeeding fiscal year.

''JOINT FUNDING

''SEC. 5. Pursuant to regulations prescribed by the President, and to the extent consistent with the other provisions of this Act, where funds are provided for a single project by more than one Federal agency to an agency or organization assisted under this Act, the Federal agency principally involved may be designated to act for all in administering the funds provided, and, in such cases, a single non-Federal share requirement may be established according to the proportion of funds advanced by each agency. When the principal agency involved is the Rehabilitation Services Administration, it may waive any grant or contract requirement (as defined by such regulations) under or pursuant to any law other than this Act, which requirement is inconsistent with the similar requirements of the administering agency under or pursuant to this Act.

''SEC. 7. DEFINITIONS.

''For the purposes of this Act:

''(1) The term 'administrative costs' means expenditures incurred in the performance of administrative functions under the vocational rehabilitation program carried out under title I, including expenses related to program planning, development, monitoring, and evaluation, including expenses for—

''(A) quality assurance;

''(B) budgeting, accounting, financial management, information systems, and related data processing;

''(C) providing information about the program to the public;

''(D) technical assistance and support services to other State agencies, private nonprofit organizations, and businesses and industries, except for technical assistance and support services described in section 103(b)(5);

''(E) the State Rehabilitation Council and other advisory committees;

''(F) professional organization membership dues for designated State unit employees;

''(G) the removal of architectural barriers in State vocational rehabilitation agency offices and State operated rehabilitation facilities;

''(H) operating and maintaining designated State unit facilities, equipment, and grounds;

''(I) supplies;

''(J) administration of the comprehensive system of personnel development described in section 101(a)(7), including personnel administration, administration of affirmative action plans, and training and staff development;

''(K) administrative salaries, including clerical and other support staff salaries, in support of these administrative functions;

''(L) travel costs related to carrying out the program, other than travel costs related to the provision of services;

''(M) costs incurred in conducting reviews of rehabilitation counselor or coordinator determinations under section 102(c); and

''(N) legal expenses required in the administration of the program.

''(2) ASSESSMENT FOR DETERMINING ELIGIBILITY AND VOCATIONAL REHABILITATION NEEDS.—The term 'assessment for determining eligibility and vocational rehabilitation needs' means, as appropriate in each case—

''(A)(i) a review of existing data—

''(I) to determine whether an individual is eligible for vocational rehabilitation services; and

''(II) to assign priority for an order of selection described in section 101(a)(5)(A) in the States that use an order of selection pursuant to section 101(a)(5)(A); and

''(ii) to the extent necessary, the provision of appropriate assessment activities to obtain necessary additional data to make such determination and assignment;

''(B) to the extent additional data is necessary to make a determination of the employment outcomes, and the objectives, nature, and scope of vocational rehabilitation services, to be included in the individualized plan for employment of an eligible individual, a comprehensive assessment to determine the unique strengths, resources, priorities, concerns, abilities, capabilities, interests, and informed choice, including the need for supported employment, of the eligible individual, which comprehensive assessment—

''(i) is limited to information that is necessary to identify the rehabilitation needs of the individual and to develop the individualized plan for employment of the eligible individual;

''(ii) uses, as a primary source of such information, to the maximum extent possible and appropriate and in accordance with confidentiality requirements—

''(I) existing information obtained for the purposes of determining the eligibility of the individual and assigning priority for an order of selection described in section 101(a)(5)(A) for the individual; and

''(II) such information as can be provided by the individual and, where appropriate, by the family of the individual;

''(iii) may include, to the degree needed to make such a determination, an assessment of the personality, interests, interpersonal skills, intelligence and related functional capacities, educational achievements, work experience, vocational aptitudes, personal and social adjustments, and employment opportunities of the individual, and the medical, psychiatric, psychological, and other pertinent vocational, educational, cultural, social, recreational, and environmental factors, that affect the employment and rehabilitation needs of the individual; and

''(iv) may include, to the degree needed, an appraisal of the patterns of work behavior of the individual and services needed for the individual to acquire occupational skills, and to develop work attitudes, work habits, work tolerance, and social and behavior patterns necessary for successful job performance, including the utilization of work in real job situations to assess and develop the capacities of the individual to perform adequately in a work environment;

''(C) referral, for the provision of rehabilitation technology services to the individual, to assess and develop the capacities of the individual to perform in a work environment; and

''(D) an exploration of the individual's abilities, capabilities, and capacity to perform in work situations, which shall be assessed periodically during trial work experiences, including experiences in which the individual is provided appropriate supports and training.

''(3) ASSISTIVE TECHNOLOGY DEVICE.—The term 'assistive technology device' has the meaning given such term in section 3(2) of the Technology-Related Assistance for Individuals With Disabilities Act of 1988 (29 U.S.C. 2202(2)), except that the reference in such section to the term 'individuals with disabilities' shall be deemed to mean more than one individual with a disability as defined in paragraph (20)(A).

''(4) ASSISTIVE TECHNOLOGY SERVICE.—The term 'assistive technology service' has the meaning given such term in section 3(3) of the Technology-Related Assistance for Individuals With Disabilities Act of 1988 (29 U.S.C. 2202(3)), except that the reference in such section—

''(A) to the term 'individual with a disability' shall be deemed to mean an individual with a disability, as defined in paragraph (20)(A); and

''(B) to the term 'individuals with disabilities' shall be deemed to mean more than one such individual.

''(5) COMMUNITY REHABILITATION PROGRAM.—The term 'community rehabilitation program' means a program that provides directly or facilitates the provision of vocational rehabilitation services to individuals with disabilities, and that provides, singly or in combination, for an individual with a disability to enable the individual to maximize opportunities for employment, including career advancement—

''(A) medical, psychiatric, psychological, social, and vocational services that are provided under one management;

''(B) testing, fitting, or training in the use of prosthetic and orthotic devices;

''(C) recreational therapy;

''(D) physical and occupational therapy;

''(E) speech, language, and hearing therapy;

''(F) psychiatric, psychological, and social services, including positive behavior management;

''(G) assessment for determining eligibility and vocational rehabilitation needs;

''(H) rehabilitation technology;

''(I) job development, placement, and retention services;

''(J) evaluation or control of specific disabilities;

''(K) orientation and mobility services for individuals who are blind;

''(L) extended employment;

''(M) psychosocial rehabilitation services;

''(N) supported employment services and extended services;

''(O) services to family members when necessary to the vocational rehabilitation of the individual;

''(P) personal assistance services; or

''(Q) services similar to the services described in one of subparagraphs (A) through (P).

''(6) CONSTRUCTION; COST OF CONSTRUCTION.—

''(A) CONSTRUCTION.—The term 'construction' means—

''(i) the construction of new buildings;

''(ii) the acquisition, expansion, remodeling, alteration, and renovation of existing buildings; and

''(iii) initial equipment of buildings described in clauses (i) and (ii).

''(B) COST OF CONSTRUCTION.—The term ''cost of construction'' includes architects' fees and the cost of acquisition of land in connection with construction but does not include the cost of offsite improvements.

''(7) CRIMINAL ACT.—The term 'criminal act' means any crime, including an act, omission, or possession under the laws of the United States or a State or unit of general local government, which poses a substantial threat of personal injury, notwithstanding that by reason of age, insanity, or intoxication or otherwise the person engaging in the act, omission, or possession was legally incapable of committing a crime.

''(8) DESIGNATED STATE AGENCY; DESIGNATED STATE UNIT.—

''(A) DESIGNATED STATE AGENCY.—The term 'designated State agency' means an agency designated under section 101(a)(2)(A).

''(B) DESIGNATED STATE UNIT.—The term 'designated State unit' means—

''(i) any State agency unit required under section 101(a)(2)(B)(ii); or

''(ii) in cases in which no such unit is so required, the State agency described in section 101(a)(2)(B)(i).

''(9) DISABILITY.—The term 'disability' means—

''(A) except as otherwise provided in subparagraph (B), a physical or mental impairment that constitutes or results in a substantial impediment to employment; or

''(B) for purposes of sections 2, 14, and 15, and titles II, IV, V, and VII, a physical or mental impairment that substantially limits one or more major life activities.

''(10) DRUG AND ILLEGAL USE OF DRUGS.—

''(A) DRUG.—The term 'drug' means a controlled substance, as defined in schedules I through V of section 202 of the Controlled Substances Act (21 U.S.C. 812).

''(B) ILLEGAL USE OF DRUGS.—The term 'illegal use of drugs' means the use of drugs, the possession or distribution of which is unlawful under the Controlled Substances Act. Such term does not include the use of a drug taken under supervision by a licensed health care professional, or other uses authorized by the Controlled Substances Act or other provisions of Federal law.

''(11) EMPLOYMENT OUTCOME.—The term 'employment outcome' means, with respect to an individual—

''(A) entering or retaining full-time or, if appropriate, part-time competitive employment in the integrated labor market;

''(B) satisfying the vocational outcome of supported employment; or

''(C) satisfying any other vocational outcome the Secretary may determine to be appropriate (including satisfying the vocational outcome of self-employment, telecommuting, or business ownership),

in a manner consistent with this Act.

''(12) ESTABLISHMENT OF A COMMUNITY REHABILITATION PROGRAM.—The term 'establishment of a community rehabilitation program' includes the acquisition, expansion, remodeling, or alteration of existing buildings necessary to adapt them to community rehabilitation program purposes or to increase their effectiveness for such purposes (subject, however, to such limitations as the Secretary may determine, in accordance with regulations the Secretary shall prescribe, in order to prevent impairment of the objectives of, or duplication of, other Federal laws providing Federal assistance in the construction of facilities for community rehabilitation programs),

and may include such additional equipment and staffing as the Commissioner considers appropriate.

''(13) EXTENDED SERVICES.—The term 'extended services' means ongoing support services and other appropriate services, needed to support and maintain an individual with a most significant disability in supported employment, that—

''(A) are provided singly or in combination and are organized and made available in such a way as to assist an eligible individual in maintaining supported employment;

''(B) are based on a determination of the needs of an eligible individual, as specified in an individualized plan for employment; and

''(C) are provided by a State agency, a nonprofit private organization, employer, or any other appropriate resource, after an individual has made the transition from support provided by the designated State unit.

''(14) FEDERAL SHARE.—

''(A) IN GENERAL.—Subject to subparagraph (B), the term 'Federal share' means 78.7 percent.

''(B) EXCEPTION.—The term ''Federal share'' means the share specifically set forth in section 111(a)(3), except that with respect to payments pursuant to part B of title I to any State that are used to meet the costs of construction of those rehabilitation facilities identified in section 103(b)(2) in such State, the Federal share shall be the percentages determined in accordance with the provisions of section 111(a)(3) applicable with respect to the State.

''(C) RELATIONSHIP TO EXPENDITURES BY A POLITICAL SUBDIVISION.—For the purpose of determining the non-Federal share with respect to a State, expenditures by a political subdivision thereof or by a local agency shall be regarded as expenditures by such State, subject to such limitations and conditions as the Secretary shall by regulation prescribe.

''(15) GOVERNOR.—The term 'Governor' means a chief executive officer of a State.

''(16) IMPARTIAL HEARING OFFICER.—

''(A) IN GENERAL.—The term 'impartial hearing officer' means an individual—

''(i) who is not an employee of a public agency (other than an administrative law judge, hearing examiner, or employee of an institution of higher education);

''(ii) who is not a member of the State Rehabilitation Council described in section 105;

''(iii) who has not been involved previously in the vocational rehabilitation of the applicant or client;

''(iv) who has knowledge of the delivery of vocational rehabilitation services, the State plan under section 101, and the Federal and State rules governing the provision of such services and training with respect to the performance of official duties; and

''(v) who has no personal or financial interest that would be in conflict with the objectivity of the individual.

''(B) CONSTRUCTION.—An individual shall not be considered to be an employee of a public agency for purposes of subparagraph (A)(i) solely because the individual is paid by the agency to serve as a hearing officer.

''(17) INDEPENDENT LIVING CORE SERVICES.—The term 'independent living core services' means—

''(A) information and referral services;

''(B) independent living skills training;

''(C) peer counseling (including cross-disability peer counseling); and

''(D) individual and systems advocacy.

''(18) INDEPENDENT LIVING SERVICES.—The term 'independent living services' includes—

''(A) independent living core services; and

''(B)(i) counseling services, including psychological, psychotherapeutic, and related services;

''(ii) services related to securing housing or shelter, including services related to community group living, and supportive of the purposes of this Act and of the titles of this Act, and adaptive housing services (including appropriate accommodations to and modifications of any space used to serve, or occupied by, individuals with disabilities);

''(iii) rehabilitation technology;

''(iv) mobility training;

''(v) services and training for individuals with cognitive and sensory disabilities, including life skills training, and interpreter and reader services;

''(vi) personal assistance services, including attendant care and the training of personnel providing such services;

''(vii) surveys, directories, and other activities to identify appropriate housing, recreation opportunities, and accessible transportation, and other support services;

''(viii) consumer information programs on rehabilitation and independent living services available under this Act, especially for minorities and other individuals with disabilities who have traditionally been unserved or underserved by programs under this Act;

''(ix) education and training necessary for living in a community and participating in community activities;

''(x) supported living;

''(xi) transportation, including referral and assistance for such transportation and training in the use of public transportation vehicles and systems;

''(xii) physical rehabilitation;

''(xiii) therapeutic treatment;

''(xiv) provision of needed prostheses and other appliances and devices;

''(xv) individual and group social and recreational services;

''(xvi) training to develop skills specifically designed for youths who are individuals with disabilities to promote self-awareness and esteem, develop advocacy and self-empowerment skills, and explore career options;

''(xvii) services for children;

''(xviii) services under other Federal, State, or local programs designed to provide resources, training, counseling, or other assistance, of substantial benefit in enhancing the independence, productivity, and quality of life of individuals with disabilities;

''(xix) appropriate preventive services to decrease the need of individuals assisted under this Act for similar services in the future;

''(xx) community awareness programs to enhance the understanding and integration into society of individuals with disabilities; and

''(xxi) such other services as may be necessary and not inconsistent with the provisions of this Act.

''(19) INDIAN; AMERICAN INDIAN; INDIAN AMERICAN; INDIAN TRIBE.—

''(A) IN GENERAL.—The terms 'Indian', 'American Indian', and 'Indian American' mean an individual who is a member of an Indian tribe.

''(B) INDIAN TRIBE.—The term 'Indian tribe' means any Federal or State Indian tribe, band, rancheria, pueblo, colony, or community, including any Alaskan native village or regional village corporation (as defined in or established pursuant to the Alaska Native Claims Settlement Act).

''(20) INDIVIDUAL WITH A DISABILITY.—

''(A) IN GENERAL.—Except as otherwise provided in subparagraph (B), the term 'individual with a disability' means any individual who—

''(i) has a physical or mental impairment which for such individual constitutes or results in a substantial impediment to employment; and

''(ii) can benefit in terms of an employment outcome from vocational rehabilitation services provided pursuant to title I, III, or VI.

''(B) CERTAIN PROGRAMS; LIMITATIONS ON MAJOR LIFE ACTIVITIES.—Subject to subparagraphs (C), (D), (E), and (F), the term 'individual with a disability' means, for purposes of sections 2, 14, and 15, and titles II, IV, V, and VII of this Act, any person who—

''(i) has a physical or mental impairment which substantially limits one or more of such person's major life activities;

''(ii) has a record of such an impairment; or

''(iii) is regarded as having such an impairment.

''(C) RIGHTS AND ADVOCACY PROVISIONS.—

''(i) IN GENERAL; EXCLUSION OF INDIVIDUALS ENGAGING IN DRUG USE.—For purposes of title V, the term 'individual with a disability' does not include an individual who is currently engaging in the illegal use of drugs, when a covered entity acts on the basis of such use.

''(ii) EXCEPTION FOR INDIVIDUALS NO LONGER ENGAGING IN DRUG USE.—Nothing in clause (i) shall be construed to exclude as an individual with a disability an individual who—

''(I) has successfully completed a supervised drug rehabilitation program and is no longer engaging in the illegal use of drugs, or has otherwise been rehabilitated successfully and is no longer engaging in such use;

''(II) is participating in a supervised rehabilitation program and is no longer engaging in such use; or

''(III) is erroneously regarded as engaging in such use, but is not engaging in such use;

except that it shall not be a violation of this Act for a covered entity to adopt or administer reasonable policies or procedures, including but not limited to drug testing, designed to ensure that an individual described in subclause (I) or (II) is no longer engaging in the illegal use of drugs.

''(iii) EXCLUSION FOR CERTAIN SERVICES.—Notwithstanding clause (i), for purposes of programs and activities providing health services and services provided under titles I, II, and III, an individual shall not be excluded from the benefits of such programs or activities on the basis of his or her current illegal use of drugs if he or she is otherwise entitled to such services.

''(iv) DISCIPLINARY ACTION.—For purposes of programs and activities providing educational services, local educational agencies may take disciplinary action pertaining to the use or possession of illegal drugs or alcohol against any student who is an individual with a disability and who currently is engaging in the illegal use of drugs or in the use of alcohol to the same extent that such disciplinary action is taken against students who are not individuals with disabilities. Furthermore, the due process procedures at section 104.36 of title 34, Code of Federal Regulations (or any corresponding similar regulation or ruling) shall not apply to such disciplinary actions.

''(v) EMPLOYMENT; EXCLUSION OF ALCOHOLICS.—For purposes of sections 503 and 504 as such sections relate to employment, the term 'individual with a disability' does not include any individual who is an alcoholic whose current use of alcohol prevents such individual from performing the duties of the job in question or whose employment, by reason of such current alcohol abuse, would constitute a direct threat to property or the safety of others.

''(D) EMPLOYMENT; EXCLUSION OF INDIVIDUALS WITH CERTAIN DISEASES OR INFECTIONS.—For the purposes of sections 503 and 504, as such sections relate to employment, such term does not include an individual who has a currently contagious disease or infection and who, by reason of such disease or infection, would constitute a direct threat to the health or safety of other individuals or who, by reason of the currently contagious disease or infection, is unable to perform the duties of the job.

''(E) RIGHTS PROVISIONS; EXCLUSION OF INDIVIDUALS ON BASIS OF HOMOSEXUALITY OR BISEXUALITY.—For the purposes of sections 501, 503, and 504—

''(i) for purposes of the application of subparagraph (B) to such sections, the term 'impairment' does not include homosexuality or bisexuality; and

''(ii) therefore the term 'individual with a disability' does not include an individual on the basis of homosexuality or bisexuality.

''(F) RIGHTS PROVISIONS; EXCLUSION OF INDIVIDUALS ON BASIS OF CERTAIN DISORDERS.—For the purposes of sections 501, 503, and 504, the

term 'individual with a disability' does not include an individual on the basis of—

''(i) transvestism, transsexualism, pedophilia, exhibitionism, voyeurism, gender identity disorders not resulting from physical impairments, or other sexual behavior disorders;

''(ii) compulsive gambling, kleptomania, or pyromania; or

''(iii) psychoactive substance use disorders resulting from current illegal use of drugs.

''(G) INDIVIDUALS WITH DISABILITIES.—The term 'individuals with disabilities' means more than one individual with a disability.

''(21) INDIVIDUAL WITH A SIGNIFICANT DISABILITY.—

''(A) IN GENERAL.—Except as provided in subparagraph (B) or (C), the term 'individual with a significant disability' means an individual with a disability—

''(i) who has a severe physical or mental impairment which seriously limits one or more functional capacities (such as mobility, communication, self-care, self-direction, interpersonal skills, work tolerance, or work skills) in terms of an employment outcome;

''(ii) whose vocational rehabilitation can be expected to require multiple vocational rehabilitation services over an extended period of time; and

''(iii) who has one or more physical or mental disabilities resulting from amputation, arthritis, autism, blindness, burn injury, cancer, cerebral palsy, cystic fibrosis, deafness, head injury, heart disease, hemiplegia, hemophilia, respiratory or pulmonary dysfunction, mental retardation, mental illness, multiple sclerosis, muscular dystrophy, musculo-skeletal disorders, neurological disorders (including stroke and epilepsy), paraplegia, quadriplegia, and other spinal cord conditions, sickle cell anemia, specific learning disability, end-stage renal disease, or another disability or combination of disabilities determined on the basis of an assessment for determining eligibility and vocational rehabilitation needs described in subparagraphs (A) and (B) of paragraph (2) to cause comparable substantial functional limitation.

''(B) INDEPENDENT LIVING SERVICES AND CENTERS FOR INDEPENDENT LIVING.—For purposes of title VII, the term 'individual with a significant disability' means an individual with a severe physical or mental impairment whose ability to function independently in the family or community or whose ability to obtain, maintain, or advance in employment is substantially limited and for whom the delivery of independent living services will improve the ability to function, continue functioning, or move towards functioning independently in the family or community or to continue in employment, respectively.

''(C) RESEARCH AND TRAINING.—For purposes of title II, the term 'individual with a significant disability' includes an individual described in subparagraph (A) or (B).

''(D) INDIVIDUALS WITH SIGNIFICANT DISABILITIES.—The term 'individuals with significant disabilities' means more than one individual with a significant disability.

''(E) INDIVIDUAL WITH A MOST SIGNIFICANT DISABILITY.—

''(i) IN GENERAL.—The term 'individual with a most significant disability', used with respect to an individual in a State, means an individual with a significant disability who meets criteria established by the State under section 101(a)(5)(C).

''(ii) INDIVIDUALS WITH THE MOST SIGNIFICANT DISABILITIES.—The term 'individuals with the most significant disabilities' means more than one individual with a most significant disability.

''(22) INDIVIDUAL'S REPRESENTATIVE; APPLICANT'S REPRESENTATIVE.—The terms 'individual's representative' and 'applicant's representative' mean a parent, a family member, a guardian, an advocate, or an authorized representative of an individual or applicant, respectively.

''(23) INSTITUTION OF HIGHER EDUCATION.—The term 'institution of higher education' has the meaning given the term in section 1201(a) of the Higher Education Act of 1965 (20 U.S.C. 1141(a)).

''(24) LOCAL AGENCY.—The term 'local agency' means an agency of a unit of general local government or of an Indian tribe (or combination of such units or tribes) which has an agreement with the designated State agency to conduct a vocational rehabilitation program under the supervision of such State agency in accordance with the State plan approved under section 101. Nothing in the preceding sentence of this paragraph or in section 101 shall be construed to prevent the local agency from arranging to utilize another local public or nonprofit agency to provide vocational rehabilitation services if such an arrangement is made part of the agreement specified in this paragraph.

''(25) LOCAL WORKFORCE INVESTMENT BOARD.—The term 'local workforce investment board' means a local workforce investment board established under section 117 of the Workforce Investment Act of 1998.

''(26) NONPROFIT.—The term 'nonprofit', when used with respect to a community rehabilitation program, means a community rehabilitation program carried out by a corporation or association, no part of the net earnings of which inures, or may lawfully inure, to the benefit of any private shareholder or individual and the income of which is exempt from taxation under section 501(c)(3) of the Internal Revenue Code of 1986.

''(27) ONGOING SUPPORT SERVICES.—The term 'ongoing support services' means services—

''(A) provided to individuals with the most significant disabilities;

''(B) provided, at a minimum, twice monthly—

''(i) to make an assessment, regarding the employment situation, at the worksite of each such individual in supported employment, or, under special circumstances, especially at the request of the client, off site; and

''(ii) based on the assessment, to provide for the coordination or provision of specific intensive services, at or away from the worksite, that are needed to maintain employment stability; and

''(C) consisting of—

''(i) a particularized assessment supplementary to the comprehensive assessment described in paragraph (2)(B);

''(ii) the provision of skilled job trainers who accompany the individual for intensive job skill training at the worksite;

''(iii) job development, job retention, and placement services;

''(iv) social skills training;

''(v) regular observation or supervision of the individual;

''(vi) followup services such as regular contact with the employers, the individuals, the individuals' representatives, and other appropriate individuals, in order to reinforce and stabilize the job placement;

''(vii) facilitation of natural supports at the worksite;

''(viii) any other service identified in section 103; or

''(ix) a service similar to another service described in this subparagraph.

''(28) PERSONAL ASSISTANCE SERVICES.—The term 'personal assistance services' means a range of services, provided by one or more persons, designed to assist an individual with a disability to perform daily living activities on or off the job that the individual would typically perform if the individual did not have a disability. Such services shall be designed to increase the individual's control in life and ability to perform everyday activities on or off the job.

''(29) PUBLIC OR NONPROFIT.—The term 'public or nonprofit', used with respect to an agency or organization, includes an Indian tribe.

''(30) REHABILITATION TECHNOLOGY.—The term 'rehabilitation technology' means the systematic application of technologies, engineering methodologies, or scientific principles to meet the needs of and address the barriers confronted by individuals with disabilities in areas which include education, rehabilitation, employment, transportation, independent living, and recreation. The term includes rehabilitation engineering, assistive technology devices, and assistive technology services.

''(31) SECRETARY.—The term 'Secretary', except when the context otherwise requires, means the Secretary of Education.

''(32) STATE.—The term 'State' includes, in addition to each of the several States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the United States Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands.

''(33) STATE WORKFORCE INVESTMENT BOARD.—The term 'State workforce investment board' means a State workforce investment board established under section 111 of the Workforce Investment Act of 1998.

''(34) STATEWIDE WORKFORCE INVESTMENT SYSTEM.—The term 'statewide workforce investment system' means a system described in section 111(d)(2) of the Workforce Investment Act of 1998.

''(35) SUPPORTED EMPLOYMENT.—

''(A) IN GENERAL.—The term 'supported employment' means competitive work in integrated work settings, or employment in integrated work settings in which individuals are working toward competitive work, consistent with the strengths, resources, priorities, concerns, abilities, capabilities, interests, and informed choice of the individuals, for individuals with the most significant disabilities—

''(i)(I) for whom competitive employment has not traditionally occurred; or

''(II) for whom competitive employment has been interrupted or intermittent as a result of a significant disability; and

''(ii) who, because of the nature and severity of their disability, need intensive supported employment services for the period, and any extension, described in paragraph (36)(C) and extended services after the transition described in paragraph (13)(C) in order to perform such work.

''(B) CERTAIN TRANSITIONAL EMPLOYMENT.—Such term includes transitional employment for persons who are individuals with the most significant disabilities due to mental illness.

''(36) SUPPORTED EMPLOYMENT SERVICES.—The term 'supported employment services' means ongoing support services and other appropriate services needed to support and maintain an individual with a most significant disability in supported employment, that—

''(A) are provided singly or in combination and are organized and made available in such a way as to assist an eligible individual to achieve competitive employment;

''(B) are based on a determination of the needs of an eligible individual, as specified in an individualized plan for employment; and

''(C) are provided by the designated State unit for a period of time not to extend beyond 18 months, unless under special circumstances the eligible individual and the rehabilitation counselor or coordinator involved jointly agree to extend the time in order to achieve the rehabilitation objectives identified in the individualized plan for employment.

''(37) TRANSITION SERVICES.—The term 'transition services' means a coordinated set of activities for a student, designed within an outcome-oriented process, that promotes movement from school to post school activities, including post-secondary education, vocational training, integrated employment (including supported employment), continuing and adult education, adult services, independent living, or community participation. The coordinated set of activities shall be based upon the individual student's needs, taking into account the student's preferences and interests, and shall include instruction, community experiences, the development of

employment and other post school adult living objectives, and, when appropriate, acquisition of daily living skills and functional vocational evaluation.

''(38) VOCATIONAL REHABILITATION SERVICES.—The term 'vocational rehabilitation services' means those services identified in section 103 which are provided to individuals with disabilities under this Act.

''(39) WORKFORCE INVESTMENT ACTIVITIES.—The term 'workforce investment activities' means workforce investment activities, as defined in section 101 of the Workforce Investment Act of 1998, that are carried out under that Act.

''ALLOTMENT PERCENTAGE

''SEC. 8. (a)(1) For purposes of section 110, the allotment percentage for any State shall be 100 per centum less that percentage which bears the same ratio to 50 per centum as the per capita income of such State bears to the per capita income of the United States, except that—

''(A) the allotment percentage shall in no case be more than 75 per centum or less than 33⅓ per centum; and

''(B) the allotment percentage for the District of Columbia, Puerto Rico, Guam, the Virgin Islands, American Samoa, and the Commonwealth of the Northern Mariana Islands shall be 75 per centum.

''(2) The allotment percentages shall be promulgated by the Secretary between October 1 and December 31 of each even-numbered year, on the basis of the average of the per capita incomes of the States and of the United States for the three most recent consecutive years for which satisfactory data are available from the Department of Commerce. Such promulgation shall be conclusive for each of the two fiscal years in the period beginning on the October 1 next succeeding such promulgation.

''(3) The term 'United States' means (but only for purposes of this subsection) the fifty States and the District of Columbia.

''(b) The population of the several States and of the United States shall be determined on the basis of the most recent data available, to be furnished by the Department of Commerce by October 1 of the year preceding the fiscal year for which funds are appropriated pursuant to statutory authorizations.

''NONDUPLICATION

''SEC. 10. In determining the amount of any State's Federal share of expenditures for planning, administration, and services incurred by it under a State plan approved in accordance with section 101, there shall be disregarded (1) any portion of such expenditures which are financed by Federal funds provided under any other provision of law, and (2) the amount of any non-Federal funds required to be expended as a condition of receipt of such Federal funds. No payment may be made from funds provided under one provision of this Act relating to any cost with respect to which any payment is made under any other provision of this Act, except that this section shall not be construed to limit or reduce fees for services rendered by community rehabilitation programs.

''APPLICATION OF OTHER LAWS

''SEC. 11. The provisions of the Act of December 5, 1974 (Public Law 93–510) and of title V of the Act of October 15, 1977 (Public Law 95–134) shall not apply to the administration of the provisions of this Act or to the administration of any program or activity under this Act.

''ADMINISTRATION OF THE ACT

''SEC. 12. (a) In carrying out the purposes of this Act, the Commissioner may—

''(1) provide consultative services and technical assistance to public or nonprofit private agencies and organizations, including assistance to enable such agencies and organizations to facilitate meaningful and effective participation by individuals with disabilities in workforce investment activities;

''(2) provide short-term training and technical instruction, including training for the personnel of community rehabilitation programs, centers for independent living, and other providers of services (including job coaches);

''(3) conduct special projects and demonstrations;

''(4) collect, prepare, publish, and disseminate special educational or informational materials, including reports of the projects for which funds are provided under this Act; and

''(5) provide monitoring and conduct evaluations.

''(b)(1) In carrying out the duties under this Act, the Commissioner may utilize the services and facilities of any agency of the Federal Government and of any other public or nonprofit agency or organization, in accordance with agreements between the Commissioner and the head thereof, and may pay therefor, in advance or by way of reimbursement, as may be provided in the agreement.

''(2) In carrying out the provisions of this Act, the Commissioner shall appoint such task forces as may be necessary to collect and disseminate information in order to improve the ability of the Commissioner to carry out the provisions of this Act.

''(c) The Commissioner may promulgate such regulations as are considered appropriate to carry out the Commissioner's duties under this Act.

''(d) The Secretary shall promulgate regulations regarding the requirements for the implementation of an order of selection for vocational rehabilitation services under section 101(a)(5)(A) if such services cannot be provided to all eligible individuals with disabilities who apply for such services.

''(e) Not later than 180 days after the date of enactment of the Rehabilitation Act Amendments of 1998, the Secretary shall receive public comment and promulgate regulations to implement the amendments made by the Rehabilitation Act Amendments of 1998.

''(f) In promulgating regulations to carry out this Act, the Secretary shall promulgate only regulations that are necessary to administer and ensure compliance with the specific requirements of this Act.

''(g) There are authorized to be appropriated to carry out this section such sums as may be necessary.

''REPORTS

''SEC. 13. (a) Not later than one hundred and eighty days after the close of each fiscal year, the Commissioner shall prepare and submit to the President and to the Congress a full and complete report on the activities carried out under this Act, including the activities and staffing of the information clearinghouse under section 15.

''(b) The Commissioner shall collect information to determine whether the purposes of this Act are being met and to assess the performance of programs carried out under this Act. The Commissioner shall take whatever action is necessary to assure that the identity of each individual for which information is supplied under this section is kept confidential, except as otherwise required by law (including regulation).

''(c) In preparing the report, the Commissioner shall annually collect and include in the report information based on the information submitted by States in accordance with section 101(a)(10), including information on administrative costs as required by section 101(a)(10)(D). The Commissioner shall, to the maximum extent appropriate, include in the report all information that is required to be submitted in the reports described in section 136(d) of the Workforce Investment Act of 1998 and that pertains to the employment of individuals with disabilities.

''EVALUATION

''SEC. 14. (a) For the purpose of improving program management and effectiveness, the Secretary, in consultation with the Commissioner, shall evaluate all the programs authorized by this Act, their general effectiveness in relation to their cost, their impact on related programs, and their structure and mechanisms for delivery of services, using appropriate methodology and evaluative research designs. The Secretary shall establish and use standards for the evaluations required by this subsection. Such an evaluation shall be conducted by a person not immediately involved in the administration of the program evaluated.

''(b) In carrying out evaluations under this section, the Secretary shall obtain the opinions of program and project participants about the strengths and weaknesses of the programs and projects.

''(c) The Secretary shall take the necessary action to assure that all studies, evaluations, proposals, and data produced or developed with Federal funds under this Act shall become the property of the United States.

''(d) Such information as the Secretary may determine to be necessary for purposes of the evaluations conducted under this section shall be made available upon request of the Secretary, by the departments and agencies of the executive branch.

''(e)(1) To assess the linkages between vocational rehabilitation services and economic and noneconomic outcomes, the Secretary shall continue to conduct a longitudinal study of a national sample of applicants for the services.

''(2) The study shall address factors related to attrition and completion of the program through which the services are provided and factors within and outside the program affecting results. Appropriate comparisons shall be used to contrast the experiences of similar persons who do not obtain the services.

''(3) The study shall be planned to cover the period beginning on the application of individuals with disabilities for the services, through the eligibility determination and provision of services for the individuals, and a further period of not less than 2 years after the termination of services.

''(f)(1) The Commissioner shall identify and disseminate information on exemplary practices concerning vocational rehabilitation.

''(2) To facilitate compliance with paragraph (1), the Commissioner shall conduct studies and analyses that identify exemplary practices concerning vocational rehabilitation, including studies in areas relating to providing informed choice in the rehabilitation process, promoting consumer satisfaction, promoting job placement and retention, providing supported employment, providing services to particular disability populations, financing personal assistance services, providing assistive technology devices and assistive technology services, entering into cooperative agreements, establishing standards and certification for community rehabilitation programs, converting from nonintegrated to integrated employment, and providing caseload management.

''(g) There are authorized to be appropriated to carry out this section such sums as may be necessary.

''INFORMATION CLEARINGHOUSE

''SEC. 15. (a) The Secretary shall establish a central clearinghouse for information and resource availability for individuals with disabilities which shall provide information and data regarding—

''(1) the location, provision, and availability of services and programs for individuals with disabilities, including such information and data provided by State workforce investment boards regarding such services and programs authorized under title I of such Act;

''(2) research and recent medical and scientific developments bearing on disabilities (and their prevention, amelioration, causes, and cures); and

''(3) the current numbers of individuals with disabilities and their needs.

The clearinghouse shall also provide any other relevant information and data which the Secretary considers appropriate.

''(b) The Commissioner may assist the Secretary to develop within the Department of Education a coordinated system of information and data retrieval, which will have the capacity and responsibility to provide information regarding the information and data referred to in subsection (a) of this section to the Congress, public and private agencies and organizations, individuals with disabilities and their families, professionals in fields serving such individuals, and the general public.

''(c) The office established to carry out the provisions of this section shall be known as the 'Office of Information and Resources for Individuals with Disabilities'.

''(d) There are authorized to be appropriated to carry out this section such sums as may be necessary.

''TRANSFER OF FUNDS

''SEC. 16. (a) Except as provided in subsection (b) of this section, no funds appropriated under this Act for any program or activity may be used for any purpose other than that for which the funds were specifically authorized.

''(b) No more than 1 percent of funds appropriated for discretionary grants, contracts, or cooperative agreements authorized by this Act may be used for the purpose of providing non-Federal panels of experts to review applications for such grants, contracts, or cooperative agreements.

''STATE ADMINISTRATION

''SEC. 17. The application of any State rule or policy relating to the administration or operation of programs funded by this Act (including any rule or policy based on State interpretation of any Federal law, regulation, or guideline) shall be identified as a State imposed requirement.

''REVIEW OF APPLICATIONS

''SEC. 18. Applications for grants in excess of $100,000 in the aggregate authorized to be funded under this Act, other than grants primarily for the purpose of conducting dissemination or conferences, shall be reviewed by panels of experts which shall include a majority of non-Federal members. Non-Federal members may be provided travel, per diem, and consultant fees not to exceed the daily equivalent of the rate of pay for level 4 of the Senior Executive Service Schedule under section 5382 of title 5, United States Code.

''SEC. 19. CARRYOVER.

''(a) IN GENERAL.—Except as provided in subsection (b), and notwithstanding any other provision of law—

''(1) any funds appropriated for a fiscal year to carry out any grant program under part B of title I, section 509 (except as provided in section 509(b)), part B of title VI, part B or C of chapter 1 of title VII, or chapter 2 of title VII (except as provided in section 752(b)), including any funds reallotted under any such grant program, that are not obligated and expended by recipients prior to the beginning of the succeeding fiscal year; or

''(2) any amounts of program income, including reimbursement payments under the Social Security Act (42 U.S.C. 301 et seq.), received by recipients under any grant program specified in paragraph (1) that are not obligated and expended by recipients prior to the beginning of the fiscal year succeeding the fiscal year in which such amounts were received,

shall remain available for obligation and expenditure by such recipients during such succeeding fiscal year.

''(b) NON-FEDERAL SHARE.—Such funds shall remain available for obligation and expenditure by a recipient as provided in subsection (a) only to the extent that the recipient complied with any Federal share requirements applicable to the program for the fiscal year for which the funds were appropriated.

''SEC. 20. CLIENT ASSISTANCE INFORMATION.

''All programs, including community rehabilitation programs, and projects, that provide services to individuals with disabilities under this Act shall advise such individuals who are applicants for or recipients of the services, or the applicants' representatives or individuals' representatives, of the availability and purposes of the client assistance program under section 112, including information on means of seeking assistance under such program.

''SEC. 21. TRADITIONALLY UNDERSERVED POPULATIONS.

''(a) FINDINGS.—With respect to the programs authorized in titles II through VII, the Congress finds as follows:

''(1) RACIAL PROFILE.—The racial profile of America is rapidly changing. While the rate of increase for white Americans is 3.2 percent, the rate of increase for racial and ethnic minorities is much higher: 38.6 percent for Latinos, 14.6 percent for African-Americans, and 40.1 percent for Asian-Americans and other ethnic groups. By the year 2000, the Nation will have 260,000,000 people, one of every three of whom will be either African-American, Latino, or Asian-American.

''(2) RATE OF DISABILITY.—Ethnic and racial minorities tend to have disabling conditions at a disproportionately high rate. The rate of work-related disability for American Indians is about one and one-half times that of the general population. African-Americans are also one and one-half times more likely to be disabled than whites and twice as likely to be significantly disabled.

''(3) INEQUITABLE TREATMENT.—Patterns of inequitable treatment of minorities have been documented in all major junctures of the vocational rehabilitation process. As compared to white Americans, a larger percentage of African-American applicants to the vocational rehabilitation system is denied acceptance. Of applicants accepted for service, a larger percentage of African-American cases is closed without being rehabilitated. Minorities are provided less training than their white counterparts. Consistently, less money is spent on minorities than on their white counterparts.

''(4) RECRUITMENT.—Recruitment efforts within vocational rehabilitation at the level of preservice training, continuing education, and in-service training must focus on bringing larger numbers of minorities into the profession in order to provide appropriate practitioner knowledge, role models, and sufficient manpower to address the clearly changing demography of vocational rehabilitation.

''(b) OUTREACH TO MINORITIES.—

''(1) IN GENERAL.—For each fiscal year, the Commissioner and the Director of the National Institute on Disability and Rehabilitation Research (referred to in this subsection as the 'Director') shall reserve 1 percent of the funds appropriated for the fiscal year for programs authorized under titles II, III, VI, and VII to carry out this subsection. The Commissioner and the Director shall use the reserved funds to carry out 1 or more of the activities described in paragraph (2) through a grant, contract, or cooperative agreement.

''(2) ACTIVITIES.—The activities carried out by the Commissioner and the Director shall include 1 or more of the following:

''(A) Making awards to minority entities and Indian tribes to carry out activities under the programs authorized under titles II, III, VI, and VII.

''(B) Making awards to minority entities and Indian tribes to conduct research, training, technical assistance, or a related activity, to improve services provided under this Act, especially services provided to individuals from minority backgrounds.

''(C) Making awards to entities described in paragraph (3) to provide outreach and technical assistance to minority entities and Indian tribes to promote their participation in activities funded under this Act, including assistance to enhance their capacity to carry out such activities.

''(3) ELIGIBILITY.—To be eligible to receive an award under paragraph (2)(C), an entity shall be a State or a public or private nonprofit agency or organization, such as an institution of higher education or an Indian tribe.

''(4) REPORT.—In each fiscal year, the Commissioner and the Director shall prepare and submit to Congress a report that describes the activities funded under this subsection for the preceding fiscal year.

''(5) DEFINITIONS.—In this subsection:

''(A) HISTORICALLY BLACK COLLEGE OR UNIVERSITY.—The term 'historically Black college or university' means a part B institution, as defined in section 322(2) of the Higher Education Act of 1965 (20 U.S.C. 1061(2)).

''(B) MINORITY ENTITY.—The term 'minority entity' means an entity that is a historically Black college or university, a Hispanic-serving institution of higher education, an American Indian tribal college or university, or another institution of higher education whose minority student enrollment is at least 50 percent.

''(c) DEMONSTRATION.—In awarding grants, or entering into contracts or cooperative agreements under titles I, II, III, VI, and VII, and section 509, the Commissioner and the Director, in appropriate cases, shall require applicants to demonstrate how the applicants will address, in whole or in part, the needs of individuals with disabilities from minority backgrounds.''.

SEC. 404. VOCATIONAL REHABILITATION SERVICES.

Title I of the Rehabilitation Act of 1973 (29 U.S.C. 720 et seq.) is amended to read as follows:

''TITLE I—VOCATIONAL REHABILITATION SERVICES

''PART A—GENERAL PROVISIONS

''SEC. 100. DECLARATION OF POLICY; AUTHORIZATION OF APPROPRIATIONS.

''(a) FINDINGS; PURPOSE; POLICY.—

''(1) FINDINGS.—Congress finds that—

''(A) work—

''(i) is a valued activity, both for individuals and society; and

''(ii) fulfills the need of an individual to be productive, promotes independence, enhances self-esteem, and allows for participation in the mainstream of life in the United States;

''(B) as a group, individuals with disabilities experience staggering levels of unemployment and poverty;

''(C) individuals with disabilities, including individuals with the most significant disabilities, have demonstrated their ability to achieve gainful employment in integrated settings if appropriate services and supports are provided;

''(D) reasons for significant numbers of individuals with disabilities not working, or working at levels not commensurate with their abilities and capabilities, include—

''(i) discrimination;

''(ii) lack of accessible and available transportation;

''(iii) fear of losing health coverage under the medicare and medicaid programs carried out under titles XVIII and XIX of the Social Security Act (42 U.S.C. 1395 et seq. and 1396 et seq.) or fear of losing private health insurance; and

''(iv) lack of education, training, and supports to meet job qualification standards necessary to secure, retain, regain, or advance in employment;

''(E) enforcement of title V and of the Americans with Disabilities Act of 1990 (42 U.S.C. 12101 et seq.) holds the promise of ending discrimination for individuals with disabilities;

''(F) the provision of workforce investment activities and vocational rehabilitation services can enable individuals with disabilities, including individuals with the most significant disabilities, to pursue meaningful careers by securing gainful employment commensurate with their abilities and capabilities; and

''(G) linkages between the vocational rehabilitation programs established under this title and other components of the statewide workforce investment systems are critical to ensure effective and meaningful participation by individuals

with disabilities in workforce investment activities.

''(2) PURPOSE.—The purpose of this title is to assist States in operating statewide comprehensive, coordinated, effective, efficient, and accountable programs of vocational rehabilitation, each of which is—

''(A) an integral part of a statewide workforce investment system; and

''(B) designed to assess, plan, develop, and provide vocational rehabilitation services for individuals with disabilities, consistent with their strengths, resources, priorities, concerns, abilities, capabilities, interests, and informed choice, so that such individuals may prepare for and engage in gainful employment.

''(3) POLICY.—It is the policy of the United States that such a program shall be carried out in a manner consistent with the following principles:

''(A) Individuals with disabilities, including individuals with the most significant disabilities, are generally presumed to be capable of engaging in gainful employment and the provision of individualized vocational rehabilitation services can improve their ability to become gainfully employed.

''(B) Individuals with disabilities must be provided the opportunities to obtain gainful employment in integrated settings.

''(C) Individuals who are applicants for such programs or eligible to participate in such programs must be active and full partners in the vocational rehabilitation process, making meaningful and informed choices—

''(i) during assessments for determining eligibility and vocational rehabilitation needs; and

''(ii) in the selection of employment outcomes for the individuals, services needed to achieve the outcomes, entities providing such services, and the methods used to secure such services.

''(D) Families and other natural supports can play important roles in the success of a vocational rehabilitation program, if the individual with a disability involved requests, desires, or needs such supports.

''(E) Vocational rehabilitation counselors that are trained and prepared in accordance with State policies and procedures as described in section 101(a)(7)(B) (referred to individually in this title as a 'qualified vocational rehabilitation counselor'), other qualified rehabilitation personnel, and other qualified personnel facilitate the accomplishment of the employment outcomes and objectives of an individual.

''(F) Individuals with disabilities and the individuals' representatives are full partners in a vocational rehabilitation program and must be involved on a regular basis and in a meaningful manner with respect to policy development and implementation.

''(G) Accountability measures must facilitate the accomplishment of the goals and objectives of the program, including providing vocational rehabilitation services to, among others, individuals with the most significant disabilities.

''(b) AUTHORIZATION OF APPROPRIATIONS.—

''(1) IN GENERAL.—For the purpose of making grants to States under part B to assist States in meeting the costs of vocational rehabilitation services provided in accordance with State plans under section 101, there are authorized to be appropriated such sums as may be necessary for fiscal years 1999 through 2003, except that the amount to be appropriated for a fiscal year shall not be less than the amount of the appropriation under this paragraph for the immediately preceding fiscal year, increased by the percentage change in the Consumer Price Index determined under subsection (c) for the immediately preceding fiscal year.

''(2) REFERENCE.—The reference in paragraph (1) to grants to States under part B shall not be considered to refer to grants under section 112.

''(c) CONSUMER PRICE INDEX.—

''(1) PERCENTAGE CHANGE.—No later than November 15 of each fiscal year (beginning with fiscal year 1979), the Secretary of Labor shall publish in the Federal Register the percentage change in the Consumer Price Index published for October of the preceding fiscal year and October of the fiscal year in which such publication is made.

''(2) APPLICATION.—

''(A) INCREASE.—If in any fiscal year the percentage change published under paragraph (1) indicates an increase in the Consumer Price Index, then the amount to be appropriated under subsection (b)(1) for the subsequent fiscal year shall be at least the amount appropriated under subsection (b)(1) for the fiscal year in which the publication is made under paragraph (1) increased by such percentage change.

''(B) NO INCREASE OR DECREASE.—If in any fiscal year the percentage change published under paragraph (1) does not indicate an increase in the Consumer Price Index, then the amount to be appropriated under subsection (b)(1) for the subsequent fiscal year shall be at least the amount appropriated under subsection (b)(1) for the fiscal year in which the publication is made under paragraph (1).

''(3) DEFINITION.—For purposes of this section, the term 'Consumer Price Index' means the Consumer Price Index for All Urban Consumers, published monthly by the Bureau of Labor Statistics.

''(d) EXTENSION.—

''(1) IN GENERAL.—

''(A) AUTHORIZATION OR DURATION OF PROGRAM.—Unless the Congress in the regular session which ends prior to the beginning of the terminal fiscal year—

''(i) of the authorization of appropriations for the program authorized by the State grant program under part B of this title; or

''(ii) of the duration of the program authorized by the State grant program under part B of this title;

has passed legislation which would have the effect of extending the authorization or duration (as the case may be) of such program, such authorization or duration is automatically extended for 1 additional year for the program authorized by this title.

''(B) CALCULATION.—The amount authorized to be appropriated for the additional fiscal year described in subparagraph (A) shall be an amount equal to the amount appropriated for such program for fiscal year 2003, increased by the percentage change in the Consumer Price Index determined under subsection (c) for the immediately preceding fiscal year, if the percentage change indicates an increase.

''(2) CONSTRUCTION.—

''(A) PASSAGE OF LEGISLATION.—For the purposes of paragraph (1)(A), Congress shall not be deemed to have passed legislation unless such legislation becomes law.

''(B) ACTS OR DETERMINATIONS OF COMMISSIONER.—In any case where the Commissioner is required under an applicable statute to carry out certain acts or make certain determinations which are necessary for the continuation of the program authorized by this title, if such acts or determinations are required during the terminal year of such program, such acts and determinations shall be required during any fiscal year in which the extension described in that part of paragraph (1) that follows clause (ii) of paragraph (1)(A) is in effect.

''SEC. 101. STATE PLANS.

''(a) PLAN REQUIREMENTS.—

''(1) IN GENERAL.—

''(A) SUBMISSION.—To be eligible to participate in programs under this title, a State shall submit to the Commissioner a State plan for vocational rehabilitation services that meets the requirements of this section, on the same date that the State submits a State plan under section 112 of the Workforce Investment Act of 1998.

''(B) NONDUPLICATION.—The State shall not be required to submit, in the State plan for vocational rehabilitation services, policies, procedures, or descriptions required under this title that have been previously submitted to the Commissioner and that demonstrate that such State meets the requirements of this title, including any policies, procedures, or descriptions submitted under this title as in effect on the day before the effective date of the Rehabilitation Act Amendments of 1998.

''(C) DURATION.—The State plan shall remain in effect subject to the submission of such modifications as the State determines to be necessary or as the Commissioner may require based on a change in State policy, a change in Federal law (including regulations), an interpretation of this Act by a Federal court or the highest court of the State, or a finding by the Commissioner of State noncompliance with the requirements of this Act, until the State submits and receives approval of a new State plan.

''(2) DESIGNATED STATE AGENCY; DESIGNATED STATE UNIT.—

''(A) DESIGNATED STATE AGENCY.—The State plan shall designate a State agency as the sole State agency to administer the plan, or to supervise the administration of the plan by a local agency, except that—

''(i) where, under State law, the State agency for individuals who are blind or another agency that provides assistance or services to adults who are blind is authorized to provide vocational rehabilitation services to individuals who are blind, that agency may be designated as the sole State agency to administer the part of the plan under which vocational rehabilitation services are provided for individuals who are blind (or to supervise the administration of such part by a local agency) and a separate State agency may be designated as the sole State agency to administer or supervise the administration of the rest of the State plan;

''(ii) the Commissioner, on the request of a State, may authorize the designated State agency to share funding and administrative responsibility with another agency of the State or with a local agency in order to permit the agencies to carry out a joint program to provide services to individuals with disabilities, and may waive compliance, with respect to vocational rehabilitation services furnished under the joint program, with the requirement of paragraph (4) that the plan be in effect in all political subdivisions of the State; and

''(iii) in the case of American Samoa, the appropriate State agency shall be the Governor of American Samoa.

''(B) DESIGNATED STATE UNIT.—The State agency designated under subparagraph (A) shall be—

''(i) a State agency primarily concerned with vocational rehabilitation, or vocational and other rehabilitation, of individuals with disabilities; or

''(ii) if not such an agency, the State agency (or each State agency if 2 are so designated) shall include a vocational rehabilitation bureau, division, or other organizational unit that—

''(I) is primarily concerned with vocational rehabilitation, or vocational and other rehabilitation, of individuals with disabilities, and is responsible for the vocational rehabilitation program of the designated State agency;

''(II) has a full-time director;

''(III) has a staff employed on the rehabilitation work of the organizational unit all or substantially all of whom are employed full time on such work; and

''(IV) is located at an organizational level and has an organizational status within the designated State agency comparable to that of other major organizational units of the designated State agency.

''(C) RESPONSIBILITY FOR SERVICES FOR THE BLIND.—If the State has designated only 1 State agency pursuant to subparagraph (A), the State may assign responsibility for the part of the plan under which vocational rehabilitation services are provided for individuals who are blind to an organizational unit of the designated State agency and assign responsibility

for the rest of the plan to another organizational unit of the designated State agency, with the provisions of subparagraph (B) applying separately to each of the designated State units.

''(3) NON-FEDERAL SHARE.—The State plan shall provide for financial participation by the State, or if the State so elects, by the State and local agencies, to provide the amount of the non-Federal share of the cost of carrying out part B.

''(4) STATEWIDENESS.—The State plan shall provide that the plan shall be in effect in all political subdivisions of the State, except that—

''(A) in the case of any activity that, in the judgment of the Commissioner, is likely to assist in promoting the vocational rehabilitation of substantially larger numbers of individuals with disabilities or groups of individuals with disabilities, the Commissioner may waive compliance with the requirement that the plan be in effect in all political subdivisions of the State to the extent and for such period as may be provided in accordance with regulations prescribed by the Commissioner, but only if the non-Federal share of the cost of the vocational rehabilitation services involved is met from funds made available by a local agency (including funds contributed to such agency by a private agency, organization, or individual); and

''(B) in a case in which earmarked funds are used toward the non-Federal share and such funds are earmarked for particular geographic areas within the State, the earmarked funds may be used in such areas if the State notifies the Commissioner that the State cannot provide the full non-Federal share without such funds.

''(5) ORDER OF SELECTION FOR VOCATIONAL REHABILITATION SERVICES.—In the event that vocational rehabilitation services cannot be provided to all eligible individuals with disabilities in the State who apply for the services, the State plan shall—

''(A) show the order to be followed in selecting eligible individuals to be provided vocational rehabilitation services;

''(B) provide the justification for the order of selection;

''(C) include an assurance that, in accordance with criteria established by the State for the order of selection, individuals with the most significant disabilities will be selected first for the provision of vocational rehabilitation services; and

''(D) provide that eligible individuals, who do not meet the order of selection criteria, shall have access to services provided through the information and referral system implemented under paragraph (20).

''(6) METHODS FOR ADMINISTRATION.—

''(A) IN GENERAL.—The State plan shall provide for such methods of administration as are found by the Commissioner to be necessary for the proper and efficient administration of the plan.

''(B) EMPLOYMENT OF INDIVIDUALS WITH DISABILITIES.—The State plan shall provide that the designated State agency, and entities carrying out community rehabilitation programs in the State, who are in receipt of assistance under this title shall take affirmative action to employ and advance in employment qualified individuals with disabilities covered under, and on the same terms and conditions as set forth in, section 503.

''(C) FACILITIES.—The State plan shall provide that facilities used in connection with the delivery of services assisted under the State plan shall comply with the Act entitled 'An Act to insure that certain buildings financed with Federal funds are so designed and constructed as to be accessible to the physically handicapped', approved on August 12, 1968 (commonly known as the 'Architectural Barriers Act of 1968'), with section 504, and with the Americans with Disabilities Act of 1990.

''(7) COMPREHENSIVE SYSTEM OF PERSONNEL DEVELOPMENT.—The State plan shall—

''(A) include a description (consistent with the purposes of this Act) of a comprehensive system of personnel development, which shall include—

''(i) a description of the procedures and activities the designated State agency will undertake to ensure an adequate supply of qualified State rehabilitation professionals and paraprofessionals for the designated State unit, including the development and maintenance of a system for determining, on an annual basis—

''(I) the number and type of personnel that are employed by the designated State unit in the provision of vocational rehabilitation services, including ratios of qualified vocational rehabilitation counselors to clients; and

''(II) the number and type of personnel needed by the State, and a projection of the numbers of such personnel that will be needed in 5 years, based on projections of the number of individuals to be served, the number of such personnel who are expected to retire or leave the vocational rehabilitation field, and other relevant factors;

''(ii) where appropriate, a description of the manner in which activities will be undertaken under this section to coordinate the system of personnel development with personnel development activities under the Individuals with Disabilities Education Act (20 U.S.C. 1400 et seq.);

''(iii) a description of the development and maintenance of a system of determining, on an annual basis, information on the programs of institutions of higher education within the State that are preparing rehabilitation professionals, including—

''(I) the numbers of students enrolled in such programs; and

''(II) the number of such students who graduated with certification or licensure, or with credentials to qualify for certification or licensure, as a rehabilitation professional during the past year;

''(iv) a description of the development, updating, and implementation of a plan that—

''(I) will address the current and projected vocational rehabilitation services personnel training needs for the designated State unit; and

''(II) provides for the coordination and facilitation of efforts between the designated State unit, institutions of higher education, and professional associations to recruit, prepare, and retain qualified personnel, including personnel from minority backgrounds, and personnel who are individuals with disabilities; and

''(v) a description of the procedures and activities the designated State agency will undertake to ensure that all personnel employed by the designated State unit are appropriately and adequately trained and prepared, including—

''(I) a system for the continuing education of rehabilitation professionals and paraprofessionals within the designated State unit, particularly with respect to rehabilitation technology; and

''(II) procedures for acquiring and disseminating to rehabilitation professionals and paraprofessionals within the designated State unit significant knowledge from research and other sources, including procedures for providing training regarding the amendments to this Act made by the Rehabilitation Act Amendments of 1998;

''(B) set forth policies and procedures relating to the establishment and maintenance of standards to ensure that personnel, including rehabilitation professionals and paraprofessionals, needed within the designated State unit to carry out this part are appropriately and adequately prepared and trained, including—

''(i) the establishment and maintenance of standards that are consistent with any national or State approved or recognized certification, licensing, registration, or other comparable requirements that apply to the area in which such personnel are providing vocational rehabilitation services; and

''(ii) to the extent that such standards are not based on the highest requirements in the State applicable to a specific profession or discipline, the steps the State is taking to require the retraining or hiring of personnel within the designated State unit that meet appropriate professional requirements in the State; and

''(C) contain provisions relating to the establishment and maintenance of minimum standards to ensure the availability of personnel within the designated State unit, to the maximum extent feasible, trained to communicate in the native language or mode of communication of an applicant or eligible individual.

''(8) COMPARABLE SERVICES AND BENEFITS.—

''(A) DETERMINATION OF AVAILABILITY.—

''(i) IN GENERAL.—The State plan shall include an assurance that, prior to providing any vocational rehabilitation service to an eligible individual, except those services specified in paragraph (5)(D) and in paragraphs (1) through (4) and (14) of section 103(a), the designated State unit will determine whether comparable services and benefits are available under any other program (other than a program carried out under this title) unless such a determination would interrupt or delay—

''(I) the progress of the individual toward achieving the employment outcome identified in the individualized plan for employment of the individual in accordance with section 102(b);

''(II) an immediate job placement; or

''(III) the provision of such service to any individual at extreme medical risk.

''(ii) AWARDS AND SCHOLARSHIPS.—For purposes of clause (i), comparable benefits do not include awards and scholarships based on merit.

''(B) INTERAGENCY AGREEMENT.—The State plan shall include an assurance that the Governor of the State, in consultation with the entity in the State responsible for the vocational rehabilitation program and other appropriate agencies, will ensure that an interagency agreement or other mechanism for interagency coordination takes effect between any appropriate public entity, including the State entity responsible for administering the State medicaid program, a public institution of higher education, and a component of the statewide workforce investment system, and the designated State unit, in order to ensure the provision of vocational rehabilitation services described in subparagraph (A) (other than those services specified in paragraph (5)(D), and in paragraphs (1) through (4) and (14) of section 103(a)), that are included in the individualized plan for employment of an eligible individual, including the provision of such vocational rehabilitation services during the pendency of any dispute described in clause (iii). Such agreement or mechanism shall include the following:

''(i) AGENCY FINANCIAL RESPONSIBILITY.—An identification of, or a description of a method for defining, the financial responsibility of such public entity for providing such services, and a provision stating the financial responsibility of such public entity for providing such services.

''(ii) CONDITIONS, TERMS, AND PROCEDURES OF REIMBURSEMENT.—Information specifying the conditions, terms, and procedures under which a designated State unit shall be reimbursed by other public entities for providing such services, based on the provisions of such agreement or mechanism.

''(iii) INTERAGENCY DISPUTES.—Information specifying procedures for resolving interagency disputes under the agreement or other mechanism (including procedures under which the designated State unit may initiate proceedings to secure reimbursement from other public entities or otherwise implement the provisions of the agreement or mechanism).

''(iv) COORDINATION OF SERVICES PROCEDURES.—Information specifying policies and procedures for public entities to determine and identify the interagency coordination responsibilities of each public entity to promote the coordination and timely delivery of vocational rehabilitation services (except those services specified in paragraph (5)(D) and in paragraphs (1) through (4) and (14) of section 103(a)).

''(C) RESPONSIBILITIES OF OTHER PUBLIC ENTITIES.—

''(i) RESPONSIBILITIES UNDER OTHER LAW.—Notwithstanding subparagraph (B), if any public entity other than a designated State unit is obligated under Federal or State law, or assigned responsibility under State policy or under this paragraph, to provide or pay for any services that are also considered to be vocational rehabilitation services (other than those specified in paragraph (5)(D) and in paragraphs (1) through (4) and (14) of section 103(a)), such public entity shall fulfill that obligation or responsibility, either directly or by contract or other arrangement.

''(ii) REIMBURSEMENT.—If a public entity other than the designated State unit fails to provide or pay for the services described in clause (i) for an eligible individual, the designated State unit shall provide or pay for such services to the individual. Such designated State unit may claim reimbursement for the services from the public entity that failed to provide or pay for such services. Such public entity shall reimburse the designated State unit pursuant to the terms of the interagency agreement or other mechanism described in this paragraph according to the procedures established in such agreement or mechanism pursuant to subparagraph (B)(ii).

''(D) METHODS.—The Governor of a State may meet the requirements of subparagraph (B) through—

''(i) a State statute or regulation;

''(ii) a signed agreement between the respective officials of the public entities that clearly identifies the responsibilities of each public entity relating to the provision of services; or

''(iii) another appropriate method, as determined by the designated State unit.

''(9) INDIVIDUALIZED PLAN FOR EMPLOYMENT.—

''(A) DEVELOPMENT AND IMPLEMENTATION.—The State plan shall include an assurance that an individualized plan for employment meeting the requirements of section 102(b) will be developed and implemented in a timely manner for an individual subsequent to the determination of the eligibility of the individual for services under this title, except that in a State operating under an order of selection described in paragraph (5), the plan will be developed and implemented only for individuals meeting the order of selection criteria of the State.

''(B) PROVISION OF SERVICES.—The State plan shall include an assurance that such services will be provided in accordance with the provisions of the individualized plan for employment.

''(10) REPORTING REQUIREMENTS.—

''(A) IN GENERAL.—The State plan shall include an assurance that the designated State agency will submit reports in the form and level of detail and at the time required by the Commissioner regarding applicants for, and eligible individuals receiving, services under this title.

''(B) ANNUAL REPORTING.—In specifying the information to be submitted in the reports, the Commissioner shall require annual reporting on the eligible individuals receiving the services, on those specific data elements described in section 136(d)(2) of the Workforce Investment Act of 1998 that are determined by the Secretary to be relevant in assessing the performance of designated State units in carrying out the vocational rehabilitation program established under this title.

''(C) ADDITIONAL DATA.—In specifying the information required to be submitted in the reports, the Commissioner shall require additional data with regard to applicants and eligible individuals related to—

''(i) the number of applicants and the number of individuals determined to be eligible or ineligible for the program carried out under this title, including—

''(I) the number of individuals determined to be ineligible because they did not require vocational rehabilitation services, as provided in section 102(a); and

''(II) the number of individuals determined, on the basis of clear and convincing evidence, to be too severely disabled to benefit in terms of an employment outcome from vocational rehabilitation services;

''(ii) the number of individuals who received vocational rehabilitation services through the program, including—

''(I) the number who received services under paragraph (5)(D), but not assistance under an individualized plan for employment;

''(II) of those recipients who are individuals with significant disabilities, the number who received assistance under an individualized plan for employment consistent with section 102(b); and

''(III) of those recipients who are not individuals with significant disabilities, the number who received assistance under an individualized plan for employment consistent with section 102(b);

''(iii) of those applicants and eligible recipients who are individuals with significant disabilities—

''(I) the number who ended their participation in the program carried out under this title and the number who achieved employment outcomes after receiving vocational rehabilitation services; and

''(II) the number who ended their participation in the program and who were employed 6 months and 12 months after securing or regaining employment, or, in the case of individuals whose employment outcome was to retain or advance in employment, who were employed 6 months and 12 months after achieving their employment outcome, including—

''(aa) the number who earned the minimum wage rate specified in section 6(a)(1) of the Fair Labor Standards Act of 1938 (29 U.S.C. 206(a)(1)) or another wage level set by the Commissioner, during such employment; and

''(bb) the number who received employment benefits from an employer during such employment; and

''(iv) of those applicants and eligible recipients who are not individuals with significant disabilities—

''(I) the number who ended their participation in the program carried out under this title and the number who achieved employment outcomes after receiving vocational rehabilitation services; and

''(II) the number who ended their participation in the program and who were employed 6 months and 12 months after securing or regaining employment, or, in the case of individuals whose employment outcome was to retain or advance in employment, who were employed 6 months and 12 months after achieving their employment outcome, including—

''(aa) the number who earned the minimum wage rate specified in section 6(a)(1) of the Fair Labor Standards Act of 1938 (29 U.S.C. 206(a)(1)) or another wage level set by the Commissioner, during such employment; and

''(bb) the number who received employment benefits from an employer during such employment.

''(D) COSTS AND RESULTS.—The Commissioner shall also require that the designated State agency include in the reports information on—

''(i) the costs under this title of conducting administration, providing assessment services, counseling and guidance, and other direct services provided by designated State agency staff, providing services purchased under individualized plans for employment, supporting small business enterprises, establishing, developing, and improving community rehabilitation programs, providing other services to groups, and facilitating use of other programs under this Act and title I of the Workforce Investment Act of 1998 by eligible individuals; and

''(ii) the results of annual evaluation by the State of program effectiveness under paragraph (15)(E).

''(E) ADDITIONAL INFORMATION.—The Commissioner shall require that each designated State unit include in the reports additional information related to the applicants and eligible individuals, obtained either through a complete count or sampling, including—

''(i) information on—

''(I) age, gender, race, ethnicity, education, category of impairment, severity of disability, and whether the individuals are students with disabilities;

''(II) dates of application, determination of eligibility or ineligibility, initiation of the individualized plan for employment, and termination of participation in the program;

''(III) earnings at the time of application for the program and termination of participation in the program;

''(IV) work status and occupation;

''(V) types of services, including assistive technology services and assistive technology devices, provided under the program;

''(VI) types of public or private programs or agencies that furnished services under the program; and

''(VII) the reasons for individuals terminating participation in the program without achieving an employment outcome; and

''(ii) information necessary to determine the success of the State in meeting—

''(I) the State performance measures established under section 136(b) of the Workforce Investment Act of 1998, to the extent the measures are applicable to individuals with disabilities; and

''(II) the standards and indicators established pursuant to section 106.

''(F) COMPLETENESS AND CONFIDENTIALITY.—The State plan shall include an assurance that the information submitted in the reports will include a complete count, except as provided in subparagraph (E), of the applicants and eligible individuals, in a manner permitting the greatest possible cross-classification of data and that the identity of each individual for which information is supplied under this paragraph will be kept confidential.

''(11) COOPERATION, COLLABORATION, AND COORDINATION.—

''(A) COOPERATIVE AGREEMENTS WITH OTHER COMPONENTS OF STATEWIDE WORKFORCE INVESTMENT SYSTEMS.—The State plan shall provide that the designated State unit or designated State agency shall enter into a cooperative agreement with other entities that are components of the statewide workforce investment system of the State, regarding the system, which agreement may provide for—

''(i) provision of intercomponent staff training and technical assistance with regard to—

''(I) the availability and benefits of, and information on eligibility standards for, vocational rehabilitation services; and

''(II) the promotion of equal, effective, and meaningful participation by individuals with disabilities in workforce investment activities in the State through the promotion of program accessibility, the use of nondiscriminatory policies and procedures, and the provision of reasonable accommodations, auxiliary aids and services, and rehabilitation technology, for individuals with disabilities;

''(ii) use of information and financial management systems that link all components of the statewide workforce investment system, that link the components to other electronic networks, including nonvisual electronic networks, and that relate to such subjects as employment statistics, and information on job vacancies, career planning, and workforce investment activities;

''(iii) use of customer service features such as common intake and referral procedures, customer databases, resource information, and human services hotlines;

''(iv) establishment of cooperative efforts with employers to—

''(I) facilitate job placement; and

''(II) carry out any other activities that the designated State unit and the employers determine to be appropriate;

''(v) identification of staff roles, responsibilities, and available resources, and specification of the financial responsibility of each component of the statewide workforce investment system with regard to paying for necessary services (consistent with State law and Federal requirements); and

''(vi) specification of procedures for resolving disputes among such components.

''(B) REPLICATION OF COOPERATIVE AGREEMENTS.—The State plan shall provide for the replication of such cooperative agreements at the local level between individual offices of the designated State unit and local entities carrying out activities through the statewide workforce investment system.

''(C) INTERAGENCY COOPERATION WITH OTHER AGENCIES.—The State plan shall include descriptions of interagency cooperation with, and utilization of the services and facilities of, Federal, State, and local agencies and programs, including programs carried out by the Under Secretary for Rural Development of the Department of Agriculture and State use contracting programs, to the extent that such agencies and programs are not carrying out activities through the statewide workforce investment system.

''(D) COORDINATION WITH EDUCATION OFFICIALS.—The State plan shall contain plans, policies, and procedures for coordination between the designated State agency and education officials responsible for the public education of students with disabilities, that are designed to facilitate the transition of the students with disabilities from the receipt of educational services in school to the receipt of vocational rehabilitation services under this title, including information on a formal interagency agreement with the State educational agency that, at a minimum, provides for—

''(i) consultation and technical assistance to assist educational agencies in planning for the transition of students with disabilities from school to post-school activities, including vocational rehabilitation services;

''(ii) transition planning by personnel of the designated State agency and educational agency personnel for students with disabilities that facilitates the development and completion of their individualized education programs under section 614(d) of the Individuals with Disabilities Education Act (as added by section 101 of Public Law 105–17);

''(iii) the roles and responsibilities, including financial responsibilities, of each agency, including provisions for determining State lead agencies and qualified personnel responsible for transition services; and

''(iv) procedures for outreach to and identification of students with disabilities who need the transition services.

''(E) COORDINATION WITH STATEWIDE INDEPENDENT LIVING COUNCILS AND INDEPENDENT LIVING CENTERS.—The State plan shall include an assurance that the designated State unit, the Statewide Independent Living Council established under section 705, and the independent living centers described in part C of title VII within the State have developed working relationships and coordinate their activities.

''(F) COOPERATIVE AGREEMENT WITH RECIPIENTS OF GRANTS FOR SERVICES TO AMERICAN INDIANS.—In applicable cases, the State plan shall include an assurance that the State has entered into a formal cooperative agreement with each grant recipient in the State that receives funds under part C. The agreement shall describe strategies for collaboration and coordination in providing vocational rehabilitation services to American Indians who are individuals with disabilities, including—

''(i) strategies for interagency referral and information sharing that will assist in eligibility determinations and the development of individualized plans for employment;

''(ii) procedures for ensuring that American Indians who are individuals with disabilities and are living near a reservation or tribal service area are provided vocational rehabilitation services; and

''(iii) provisions for sharing resources in cooperative studies and assessments, joint training activities, and other collaborative activities designed to improve the provision of services to American Indians who are individuals with disabilities.

''(12) RESIDENCY.—The State plan shall include an assurance that the State will not impose a residence requirement that excludes from services provided under the plan any individual who is present in the State.

''(13) SERVICES TO AMERICAN INDIANS.—The State plan shall include an assurance that, except as otherwise provided in part C, the designated State agency will provide vocational rehabilitation services to American Indians who are individuals with disabilities residing in the State to the same extent as the designated State agency provides such services to other significant populations of individuals with disabilities residing in the State.

''(14) ANNUAL REVIEW OF INDIVIDUALS IN EXTENDED EMPLOYMENT OR OTHER EMPLOYMENT UNDER SPECIAL CERTIFICATE PROVISIONS OF THE FAIR LABOR STANDARDS ACT OF 1938.—The State plan shall provide for—

''(A) an annual review and reevaluation of the status of each individual with a disability served under this title who has achieved an employment outcome either in an extended employment setting in a community rehabilitation program or any other employment under section 14(c) of the Fair Labor Standards Act (29 U.S.C. 214(c)) for 2 years after the achievement of the outcome (and thereafter if requested by the individual or, if appropriate, the individual's representative), to determine the interests, priorities, and needs of the individual with respect to competitive employment or training for competitive employment;

''(B) input into the review and reevaluation, and a signed acknowledgment that such review and reevaluation have been conducted, by the individual with a disability, or, if appropriate, the individual's representative; and

''(C) maximum efforts, including the identification and provision of vocational rehabilitation services, reasonable accommodations, and other necessary support services, to assist the individuals described in subparagraph (A) in engaging in competitive employment.

''(15) ANNUAL STATE GOALS AND REPORTS OF PROGRESS.—

''(A) ASSESSMENTS AND ESTIMATES.—The State plan shall—

''(i) include the results of a comprehensive, statewide assessment, jointly conducted by the designated State unit and the State Rehabilitation Council (if the State has such a Council) every 3 years, describing the rehabilitation needs of individuals with disabilities residing within the State, particularly the vocational rehabilitation services needs of—

''(I) individuals with the most significant disabilities, including their need for supported employment services;

''(II) individuals with disabilities who are minorities and individuals with disabilities who have been unserved or underserved by the vocational rehabilitation program carried out under this title; and

''(III) individuals with disabilities served through other components of the statewide workforce investment system (other than the vocational rehabilitation program), as identified by such individuals and personnel assisting such individuals through the components;

''(ii) include an assessment of the need to establish, develop, or improve community rehabilitation programs within the State; and

''(iii) provide that the State shall submit to the Commissioner a report containing information regarding updates to the assessments, for any year in which the State updates the assessments.

''(B) ANNUAL ESTIMATES.—The State plan shall include, and shall provide that the State shall annually submit a report to the Commissioner that includes, State estimates of—

''(i) the number of individuals in the State who are eligible for services under this title;

''(ii) the number of such individuals who will receive services provided with funds provided under part B and under part B of title VI, including, if the designated State agency uses an order of selection in accordance with paragraph (5), estimates of the number of individuals to be served under each priority category within the order; and

''(iii) the costs of the services described in clause (i), including, if the designated State agency uses an order of selection in accordance with paragraph (5), the service costs for each priority category within the order.

''(C) GOALS AND PRIORITIES.—

''(i) IN GENERAL.—The State plan shall identify the goals and priorities of the State in carrying out the program. The goals and priorities shall be jointly developed, agreed to, and reviewed annually by the designated State unit and the State Rehabilitation Council, if the State has such a Council. Any revisions to the goals and priorities shall be jointly agreed to by the designated State unit and the State Rehabilitation Council, if the State has such a Council. The State plan shall provide that the State shall submit to the Commissioner a report containing information regarding revisions in the goals and priorities, for any year in which the State revises the goals and priorities.

''(ii) BASIS.—The State goals and priorities shall be based on an analysis of—

''(I) the comprehensive assessment described in subparagraph (A), including any updates to the assessment;

''(II) the performance of the State on the standards and indicators established under section 106; and

''(III) other available information on the operation and the effectiveness of the vocational rehabilitation program carried out in the State, including any reports received from the State Rehabilitation Council, under section 105(c) and the findings and recommendations from monitoring activities conducted under section 107.

''(iii) SERVICE AND OUTCOME GOALS FOR CATEGORIES IN ORDER OF SELECTION.—If the designated State agency uses an order of selection in accordance with paragraph (5), the State shall also identify in the State plan service and outcome goals and the time within which these goals may be achieved for individuals in each priority category within the order.

''(D) STRATEGIES.—The State plan shall contain a description of the strategies the State will use to address the needs identified in the assessment conducted under subparagraph (A) and achieve the goals and priorities identified in subparagraph (C), including—

''(i) the methods to be used to expand and improve services to individuals with disabilities, including how a broad range of assistive technology services and assistive technology devices will be provided to such individuals at each stage of the rehabilitation process and how such services and devices will be provided to such individuals on a statewide basis;

''(ii) outreach procedures to identify and serve individuals with disabilities who are minorities and individuals with disabilities who have been unserved or underserved by the vocational rehabilitation program;

''(iii) where necessary, the plan of the State for establishing, developing, or improving community rehabilitation programs;

''(iv) strategies to improve the performance of the State with respect to the evaluation standards and performance indicators established pursuant to section 106; and

''(v) strategies for assisting entities carrying out other components of the statewide workforce investment system (other than the vocational rehabilitation program) in assisting individuals with disabilities.

''(E) EVALUATION AND REPORTS OF PROGRESS.—The State plan shall—

''(i) include the results of an evaluation of the effectiveness of the vocational rehabilitation program, and a joint report by the designated State unit and the State Rehabilitation Council, if the State has such a Council, to the Commissioner on the progress made in improving the effectiveness from the previous year, which evaluation and report shall include—

''(I) an evaluation of the extent to which the goals identified in subparagraph (C) were achieved;

''(II) a description of strategies that contributed to achieving the goals;

''(III) to the extent to which the goals were not achieved, a description of the factors that impeded that achievement; and

''(IV) an assessment of the performance of the State on the standards and indicators established pursuant to section 106; and

''(ii) provide that the designated State unit and the State Rehabilitation Council, if the State has such a Council, shall jointly submit to the Commissioner an annual report that contains the information described in clause (i).

''(16) PUBLIC COMMENT.—The State plan shall—

''(A) provide that the designated State agency, prior to the adoption of any policies or procedures governing the provision of vocational rehabilitation services under the State plan (including making any amendment to such policies and procedures), shall conduct public meetings throughout the State, after providing adequate notice of the meetings, to provide the public, including individuals with disabilities, an opportunity to comment on the policies or procedures, and actively consult with the Director of the client assistance program carried out under section 112, and, as appropriate, Indian tribes, tribal organizations, and Native Hawaiian organizations on the policies or procedures; and

''(B) provide that the designated State agency (or each designated State agency if 2 agencies are designated) and any sole agency administering the plan in a political subdivision of the State, shall take into account, in connection with matters of general policy arising in the administration of the plan, the views of—

''(i) individuals and groups of individuals who are recipients of vocational rehabilitation services, or in appropriate cases, the individuals' representatives;

''(ii) personnel working in programs that provide vocational rehabilitation services to individuals with disabilities;

''(iii) providers of vocational rehabilitation services to individuals with disabilities;

''(iv) the director of the client assistance program; and

''(v) the State Rehabilitation Council, if the State has such a Council.

''(17) USE OF FUNDS FOR CONSTRUCTION OF FACILITIES.—The State plan shall provide that if, under special circumstances, the State plan includes provisions for the construction of facilities for community rehabilitation programs—

''(A) the Federal share of the cost of construction for the facilities for a fiscal year will not exceed an amount equal to 10 percent of the State's allotment under section 110 for such year;

''(B) the provisions of section 306 (as in effect on the day before the date of enactment of the Rehabilitation Act Amendments of 1998) shall be applicable to such construction and such provisions shall be deemed to apply to such construction; and

''(C) there shall be compliance with regulations the Commissioner shall prescribe designed to assure that no State will reduce its efforts in providing other vocational rehabilitation services (other than for the establishment of facilities for community rehabilitation programs) because the plan includes such provisions for construction.

''(18) INNOVATION AND EXPANSION ACTIVITIES.—The State plan shall—

''(A) include an assurance that the State will reserve and use a portion of the funds allotted to the State under section 110—

''(i) for the development and implementation of innovative approaches to expand and improve the provision of vocational rehabilitation services to individuals with disabilities under this title, particularly individuals with the most significant disabilities, consistent with the findings of the statewide assessment and goals and priorities of the State as described in paragraph (15); and

''(ii) to support the funding of—

''(I) the State Rehabilitation Council, if the State has such a Council, consistent with the plan prepared under section 105(d)(1); and

''(II) the Statewide Independent Living Council, consistent with the plan prepared under section 705(e)(1);

''(B) include a description of how the reserved funds will be utilized; and

''(C) provide that the State shall submit to the Commissioner an annual report containing a description of how the reserved funds will be utilized.

''(19) CHOICE.—The State plan shall include an assurance that applicants and eligible individuals or, as appropriate, the applicants' representatives or individuals' representatives, will be provided information and support services to assist the applicants and individuals in exercising informed choice throughout the rehabilitation process, consistent with the provisions of section 102(d).

''(20) INFORMATION AND REFERRAL SERVICES.—

''(A) IN GENERAL.—The State plan shall include an assurance that the designated State agency will implement an information and referral system adequate to ensure that individuals with disabilities will be provided accurate vocational rehabilitation information and guidance, using appropriate modes of communication, to assist such individuals in preparing for, securing, retaining, or regaining employment, and will be appropriately referred to Federal and State programs (other than the vocational rehabilitation program carried out under this title), including other components of the statewide workforce investment system in the State.

''(B) REFERRALS.—An appropriate referral made through the system shall—

''(i) be to the Federal or State programs, including programs carried out by other components of the statewide workforce investment system in the State, best suited to address the specific employment needs of an individual with a disability; and

''(ii) include, for each of these programs, provision to the individual of—

''(I) a notice of the referral by the designated State agency to the agency carrying out the program;

''(II) information identifying a specific point of contact within the agency carrying out the program; and

''(III) information and advice regarding the most suitable services to assist the individual to prepare for, secure, retain, or regain employment.

''(21) STATE INDEPENDENT CONSUMER-CONTROLLED COMMISSION; STATE REHABILITATION COUNCIL.—

''(A) COMMISSION OR COUNCIL.—The State plan shall provide that either—

''(i) the designated State agency is an independent commission that—

''(I) is responsible under State law for operating, or overseeing the operation of, the vocational rehabilitation program in the State;

''(II) is consumer-controlled by persons who—

''(aa) are individuals with physical or mental impairments that substantially limit major life activities; and

''(bb) represent individuals with a broad range of disabilities, unless the designated State unit under the direction of the commission is the State agency for individuals who are blind;

''(III) includes family members, advocates, or other representatives, of individuals with mental impairments; and

''(IV) undertakes the functions set forth in section 105(c)(4); or

''(ii) the State has established a State Rehabilitation Council that meets the criteria set forth in section 105 and the designated State unit—

''(I) in accordance with paragraph (15), jointly develops, agrees to, and reviews annually State goals and priorities, and jointly submits annual reports of progress with the Council;

''(II) regularly consults with the Council regarding the development, implementation, and revision of State policies and procedures of general applicability pertaining to the provision of vocational rehabilitation services;

''(III) includes in the State plan and in any revision to the State plan, a summary of input provided by the Council, including recommendations from the annual report of the Council described in section 105(c)(5), the review and analysis of consumer satisfaction described in section 105(c)(4), and other reports prepared by the Council, and the response of the designated State unit to such input and recommendations, including explanations for rejecting any input or recommendation; and

''(IV) transmits to the Council—

''(aa) all plans, reports, and other information required under this title to be submitted to the Secretary;

''(bb) all policies, and information on all practices and procedures, of general applicability provided to or used by rehabilitation personnel in carrying out this title; and

''(cc) copies of due process hearing decisions issued under this title, which shall be transmitted in such a manner as to ensure that the identity of the participants in the hearings is kept confidential.

''(B) MORE THAN 1 DESIGNATED STATE AGENCY.—In the case of a State that, under section 101(a)(2), designates a State agency to administer the part of the State plan under which vocational rehabilitation services are provided for individuals who are blind (or to supervise the administration of such part by a local agency) and designates a separate State agency to administer the rest of the State plan, the State shall either establish a State Rehabilitation Council for each of the 2 agencies that does not meet the requirements in subparagraph (A)(i), or establish 1 State Rehabilitation Council for both agencies if neither agency meets the requirements of subparagraph (A)(i).

''(22) SUPPORTED EMPLOYMENT STATE PLAN SUPPLEMENT.—The State plan shall include an assurance that the State has an acceptable plan for carrying out part B of title VI, including the use of funds under that part to supplement funds made available under part B of this title to pay for the cost of services leading to supported employment.

''(23) ANNUAL UPDATES.—The plan shall include an assurance that the State will submit to the Commissioner reports containing annual updates of the information required under paragraph (7) (relating to a comprehensive system of personnel development) and any other updates of the information required under this section that are requested by the Commissioner, and annual reports as provided in paragraphs (15) (relating to assessments, estimates, goals and priorities, and reports of progress) and (18) (relating to innovation and expansion), at such time and in such manner as the Secretary may determine to be appropriate.

''(24) CERTAIN CONTRACTS AND COOPERATIVE AGREEMENTS.—

''(A) CONTRACTS WITH FOR-PROFIT ORGANIZATIONS.—The State plan shall provide that the designated State agency has the authority to enter into contracts with for-profit organizations for the purpose of providing, as vocational rehabilitation services, on-the-job training and related programs for individuals with disabilities under part A of title VI, upon a determination by such agency that such for-profit organizations are better qualified to provide such rehabilitation services than nonprofit agencies and organizations.

''(B) COOPERATIVE AGREEMENTS WITH PRIVATE NONPROFIT ORGANIZATIONS.—The State plan shall describe the manner in which cooperative agreements with private nonprofit vocational rehabilitation service providers will be established.

''(b) APPROVAL; DISAPPROVAL OF THE STATE PLAN.—

''(1) APPROVAL.—The Commissioner shall approve any plan that the Commissioner finds fulfills the conditions specified in this section, and shall disapprove any plan that does not fulfill such conditions.

''(2) DISAPPROVAL.—Prior to disapproval of the State plan, the Commissioner shall notify the State of the intention to disapprove the plan and shall afford the State reasonable notice and opportunity for a hearing.

''SEC. 102. ELIGIBILITY AND INDIVIDUALIZED PLAN FOR EMPLOYMENT.

''(a) ELIGIBILITY.—

''(1) CRITERION FOR ELIGIBILITY.—An individual is eligible for assistance under this title if the individual—

''(A) is an individual with a disability under section 7(20)(A); and

''(B) requires vocational rehabilitation services to prepare for, secure, retain, or regain employment.

''(2) PRESUMPTION OF BENEFIT.—

''(A) DEMONSTRATION.—For purposes of this section, an individual shall be presumed to be an individual that can benefit in terms of an employment outcome from vocational rehabilitation services under section 7(20)(A), unless the designated State unit involved can demonstrate by clear and convincing evidence that such individual is incapable of benefiting in terms of an employment outcome from vocational rehabilitation services due to the severity of the disability of the individual.

''(B) METHODS.—In making the demonstration required under subparagraph (A), the designated State unit shall explore the individual's abilities, capabilities, and capacity to perform in work situations, through the use of trial work experiences, as described in section 7(2)(D), with appropriate supports provided through the designated State unit, except under limited circumstances when an individual can not take advantage of such experiences. Such experiences shall be of sufficient variety and over a sufficient period of time to determine the eligibility of the individual or to determine the existence of clear and convincing evidence that the individual is incapable of benefiting in terms of an employment outcome from vocational rehabilitation services due to the severity of the disability of the individual.

''(3) PRESUMPTION OF ELIGIBILITY.—

''(A) IN GENERAL.—For purposes of this section, an individual who has a disability or is blind as determined pursuant to title II or title XVI of the Social Security Act (42 U.S.C. 401 et seq. and 1381 et seq.) shall be—

''(i) considered to be an individual with a significant disability under section 7(21)(A); and

''(ii) presumed to be eligible for vocational rehabilitation services under this title (provided that the individual intends to achieve an employment outcome consistent with the unique strengths, resources, priorities, concerns, abilities, capabilities, interests, and informed choice of the individual) unless the designated State unit involved can demonstrate by clear and convincing evidence that such individual is incapable of benefiting in terms of an employment outcome from vocational rehabilitation services due to the severity of the disability of the individual in accordance with paragraph (2).

''(B) CONSTRUCTION.—Nothing in this paragraph shall be construed to create an entitlement to any vocational rehabilitation service.

''(4) USE OF EXISTING INFORMATION.—

''(A) IN GENERAL.—To the maximum extent appropriate and consistent with the requirements of this part, for purposes of determining the eligibility of an individual for vocational rehabilitation services under this title and developing the individualized plan for employment described in subsection (b) for the individual, the designated State unit shall use information that is existing and current (as of the date of the determination of eligibility or of the development of the individualized plan for employment), including information available from other programs and providers, particularly information used by education officials and the Social Security Administration, information provided by the individual and the family of the individual, and information obtained under the assessment for determining eligibility and vocational rehabilitation needs.

''(B) DETERMINATIONS BY OFFICIALS OF OTHER AGENCIES.—Determinations made by officials of other agencies, particularly education officials described in section 101(a)(11)(D), regarding whether an individual satisfies 1 or more factors relating to whether an individual is an individual with a disability under section 7(20)(A) or an individual with a significant disability under section 7(21)(A) shall be used, to the extent appropriate and consistent with the requirements of this part, in assisting the designated State unit in making such determinations.

''(C) BASIS.—The determination of eligibility for vocational rehabilitation services shall be based on—

''(i) the review of existing data described in section 7(2)(A)(i); and

''(ii) to the extent that such data is unavailable or insufficient for determining eligibility, the provision of assessment activities described in section 7(2)(A)(ii).

''(5) DETERMINATION OF INELIGIBILITY.—If an individual who applies for services under this title is determined, based on the review of existing data and, to the extent necessary, the assessment activities described in section 7(2)(A)(ii), not to be eligible for the services, or if an eligible individual receiving services under an individualized plan for employment is determined to be no longer eligible for the services—

''(A) the ineligibility determination involved shall be made only after providing an opportunity for full consultation with the individual or, as appropriate, the individual's representative;

''(B) the individual or, as appropriate, the individual's representative, shall be informed in writing (supplemented as necessary by other appropriate modes of communication consistent with the informed choice of the individual) of the ineligibility determination, including—

''(i) the reasons for the determination; and

''(ii) a description of the means by which the individual may express, and seek a remedy for, any dissatisfaction with the determination, including the procedures for review by an impartial hearing officer under subsection (c);

''(C) the individual shall be provided with a description of services available from the client assistance program under section 112 and information on how to contact that program; and

''(D) any ineligibility determination that is based on a finding that the individual is incapable of benefiting in terms of an employment outcome shall be reviewed—

''(i) within 12 months; and

''(ii) thereafter, if such a review is requested by the individual or, if appropriate, by the individual's representative.

''(6) TIMEFRAME FOR MAKING AN ELIGIBILITY DETERMINATION.—The designated State unit shall determine whether an individual is eligible for vocational rehabilitation services under this title within a reasonable period of time, not to exceed 60 days, after the individual has submitted an application for the services unless—

''(A) exceptional and unforeseen circumstances beyond the control of the designated State unit preclude making an eligibility determination within 60 days and the designated State unit and the individual agree to a specific extension of time; or

''(B) the designated State unit is exploring an individual's abilities, capabilities, and capacity to perform in work situations under paragraph (2)(B).

''(b) DEVELOPMENT OF AN INDIVIDUALIZED PLAN FOR EMPLOYMENT.—

''(1) OPTIONS FOR DEVELOPING AN INDIVIDUALIZED PLAN FOR EMPLOYMENT.—If an individual is determined to be eligible for vocational rehabilitation services as described in subsection (a), the designated State unit shall complete the assessment for determining eligibility and vocational rehabilitation needs, as appropriate, and shall provide the eligible individual or the individual's representative, in writing and in an appropriate mode of communication, with information on the individual's options for developing an individualized plan for employment, including—

''(A) information on the availability of assistance, to the extent determined to be appropriate by the eligible individual, from a qualified vocational rehabilitation counselor in developing all or part of the individualized plan for employment for the individual, and the availability of technical assistance in developing all or part of the individualized plan for employment for the individual;

''(B) a description of the full range of components that shall be included in an individualized plan for employment;

''(C) as appropriate—

''(i) an explanation of agency guidelines and criteria associated with financial commitments concerning an individualized plan for employment;

''(ii) additional information the eligible individual requests or the designated State unit determines to be necessary; and

''(iii) information on the availability of assistance in completing designated State agency forms required in developing an individualized plan for employment; and

''(D)(i) a description of the rights and remedies available to such an individual including, if appropriate, recourse to the processes set forth in subsection (c); and

''(ii) a description of the availability of a client assistance program established pursuant to section 112 and information about how to contact the client assistance program.

''(2) MANDATORY PROCEDURES.—

''(A) WRITTEN DOCUMENT.—An individualized plan for employment shall be a written document prepared on forms provided by the designated State unit.

''(B) INFORMED CHOICE.—An individualized plan for employment shall be developed and implemented in a manner that affords eligible individuals the opportunity to exercise informed choice in selecting an employment outcome, the specific vocational rehabilitation services to be provided under the plan, the entity that will provide the vocational rehabilitation services, and the methods used to procure the services, consistent with subsection (d).

''(C) SIGNATORIES.—An individualized plan for employment shall be—

''(i) agreed to, and signed by, such eligible individual or, as appropriate, the individual's representative; and

''(ii) approved and signed by a qualified vocational rehabilitation counselor employed by the designated State unit.

''(D) COPY.—A copy of the individualized plan for employment for an eligible individual shall be provided to the individual or, as appropriate, to the individual's representative, in writing and, if appropriate, in the native language or mode of communication of the individual or, as appropriate, of the individual's representative.

''(E) REVIEW AND AMENDMENT.—The individualized plan for employment shall be—

''(i) reviewed at least annually by—

''(I) a qualified vocational rehabilitation counselor; and

''(II) the eligible individual or, as appropriate, the individual's representative; and

''(ii) amended, as necessary, by the individual or, as appropriate, the individual's representative, in collaboration with a representative of

the designated State agency or a qualified vocational rehabilitation counselor (to the extent determined to be appropriate by the individual), if there are substantive changes in the employment outcome, the vocational rehabilitation services to be provided, or the service providers of the services (which amendments shall not take effect until agreed to and signed by the eligible individual or, as appropriate, the individual's representative, and by a qualified vocational rehabilitation counselor employed by the designated State unit).

''(3) MANDATORY COMPONENTS OF AN INDIVIDUALIZED PLAN FOR EMPLOYMENT.—Regardless of the approach selected by an eligible individual to develop an individualized plan for employment, an individualized plan for employment shall, at a minimum, contain mandatory components consisting of—

''(A) a description of the specific employment outcome that is chosen by the eligible individual, consistent with the unique strengths, resources, priorities, concerns, abilities, capabilities, interests, and informed choice of the eligible individual, and, to the maximum extent appropriate, results in employment in an integrated setting;

''(B)(i) a description of the specific vocational rehabilitation services that are—

''(I) needed to achieve the employment outcome, including, as appropriate, the provision of assistive technology devices and assistive technology services, and personal assistance services, including training in the management of such services; and

''(II) provided in the most integrated setting that is appropriate for the service involved and is consistent with the informed choice of the eligible individual; and

''(ii) timelines for the achievement of the employment outcome and for the initiation of the services;

''(C) a description of the entity chosen by the eligible individual or, as appropriate, the individual's representative, that will provide the vocational rehabilitation services, and the methods used to procure such services;

''(D) a description of criteria to evaluate progress toward achievement of the employment outcome;

''(E) the terms and conditions of the individualized plan for employment, including, as appropriate, information describing—

''(i) the responsibilities of the designated State unit;

''(ii) the responsibilities of the eligible individual, including—

''(I) the responsibilities the eligible individual will assume in relation to the employment outcome of the individual;

''(II) if applicable, the participation of the eligible individual in paying for the costs of the plan; and

''(III) the responsibility of the eligible individual with regard to applying for and securing comparable benefits as described in section 101(a)(8); and

''(iii) the responsibilities of other entities as the result of arrangements made pursuant to comparable services or benefits requirements as described in section 101(a)(8);

''(F) for an eligible individual with the most significant disabilities for whom an employment outcome in a supported employment setting has been determined to be appropriate, information identifying—

''(i) the extended services needed by the eligible individual; and

''(ii) the source of extended services or, to the extent that the source of the extended services cannot be identified at the time of the development of the individualized plan for employment, a description of the basis for concluding that there is a reasonable expectation that such source will become available; and

''(G) as determined to be necessary, a statement of projected need for post-employment services.

''(c) PROCEDURES.—

''(1) IN GENERAL.—Each State shall establish procedures for mediation of, and procedures for review through an impartial due process hearing of, determinations made by personnel of the designated State unit that affect the provision of vocational rehabilitation services to applicants or eligible individuals.

''(2) NOTIFICATION.—

''(A) RIGHTS AND ASSISTANCE.—The procedures shall provide that an applicant or an eligible individual or, as appropriate, the applicant's representative or individual's representative shall be notified of—

''(i) the right to obtain review of determinations described in paragraph (1) in an impartial due process hearing under paragraph (5);

''(ii) the right to pursue mediation with respect to the determinations under paragraph (4); and

''(iii) the availability of assistance from the client assistance program under section 112.

''(B) TIMING.—Such notification shall be provided in writing—

''(i) at the time an individual applies for vocational rehabilitation services provided under this title;

''(ii) at the time the individualized plan for employment for the individual is developed; and

''(iii) upon reduction, suspension, or cessation of vocational rehabilitation services for the individual.

''(3) EVIDENCE AND REPRESENTATION.—The procedures required under this subsection shall, at a minimum—

''(A) provide an opportunity for an applicant or an eligible individual, or, as appropriate, the applicant's representative or individual's representative, to submit at the mediation session or hearing evidence and information to support the position of the applicant or eligible individual; and

''(B) include provisions to allow an applicant or an eligible individual to be represented in the mediation session or hearing by a person selected by the applicant or eligible individual.

''(4) MEDIATION.—

''(A) PROCEDURES.—Each State shall ensure that procedures are established and implemented under this subsection to allow parties described in paragraph (1) to disputes involving any determination described in paragraph (1) to resolve such disputes through a mediation process that, at a minimum, shall be available whenever a hearing is requested under this subsection.

''(B) REQUIREMENTS.—Such procedures shall ensure that the mediation process—

''(i) is voluntary on the part of the parties;

''(ii) is not used to deny or delay the right of an individual to a hearing under this subsection, or to deny any other right afforded under this title; and

''(iii) is conducted by a qualified and impartial mediator who is trained in effective mediation techniques.

''(C) LIST OF MEDIATORS.—The State shall maintain a list of individuals who are qualified mediators and knowledgeable in laws (including regulations) relating to the provision of vocational rehabilitation services under this title, from which the mediators described in subparagraph (B) shall be selected.

''(D) COST.—The State shall bear the cost of the mediation process.

''(E) SCHEDULING.—Each session in the mediation process shall be scheduled in a timely manner and shall be held in a location that is convenient to the parties to the dispute.

''(F) AGREEMENT.—An agreement reached by the parties to the dispute in the mediation process shall be set forth in a written mediation agreement.

''(G) CONFIDENTIALITY.—Discussions that occur during the mediation process shall be confidential and may not be used as evidence in any subsequent due process hearing or civil proceeding. The parties to the mediation process may be required to sign a confidentiality pledge prior to the commencement of such process.

''(H) CONSTRUCTION.—Nothing in this subsection shall be construed to preclude the parties to such a dispute from informally resolving the dispute prior to proceedings under this paragraph or paragraph (5), if the informal process used is not used to deny or delay the right of the applicant or eligible individual to a hearing under this subsection or to deny any other right afforded under this title.

''(5) HEARINGS.—

''(A) OFFICER.—A due process hearing described in paragraph (2) shall be conducted by an impartial hearing officer who shall issue a decision based on the provisions of the approved State plan, this Act (including regulations implementing this Act), and State regulations and policies that are consistent with the Federal requirements specified in this title. The officer shall provide the decision in writing to the applicant or eligible individual, or, as appropriate, the applicant's representative or individual's representative, and to the designated State unit.

''(B) LIST.—The designated State unit shall maintain a list of qualified impartial hearing officers who are knowledgeable in laws (including regulations) relating to the provision of vocational rehabilitation services under this title from which the officer described in subparagraph (A) shall be selected. For the purposes of maintaining such list, impartial hearing officers shall be identified jointly by—

''(i) the designated State unit; and

''(ii) members of the Council or commission, as appropriate, described in section 101(a)(21).

''(C) SELECTION.—Such an impartial hearing officer shall be selected to hear a particular case relating to a determination—

''(i) on a random basis; or

''(ii) by agreement between—

''(I) the Director of the designated State unit and the individual with a disability; or

''(II) in appropriate cases, the Director and the individual's representative.

''(D) PROCEDURES FOR SEEKING REVIEW.—A State may establish procedures to enable a party involved in a hearing under this paragraph to seek an impartial review of the decision of the hearing officer under subparagraph (A) by—

''(i) the chief official of the designated State agency if the State has established both a designated State agency and a designated State unit under section 101(a)(2); or

''(ii) an official from the office of the Governor.

''(E) REVIEW REQUEST.—If the State establishes impartial review procedures under subparagraph (D), either party may request the review of the decision of the hearing officer within 20 days after the decision.

''(F) REVIEWING OFFICIAL.—The reviewing official described in subparagraph (D) shall—

''(i) in conducting the review, provide an opportunity for the submission of additional evidence and information relevant to a final decision concerning the matter under review;

''(ii) not overturn or modify the decision of the hearing officer, or part of the decision, that supports the position of the applicant or eligible individual unless the reviewing official concludes, based on clear and convincing evidence, that the decision of the impartial hearing officer is clearly erroneous on the basis of being contrary to the approved State plan, this Act (including regulations implementing this Act) or any State regulation or policy that is consistent with the Federal requirements specified in this title; and

''(iii) make a final decision with respect to the matter in a timely manner and provide such decision in writing to the applicant or eligible individual, or, as appropriate, the applicant's representative or individual's representative, and to the designated State unit, including a full report of the findings and the grounds for such decision.

''(G) FINALITY OF HEARING DECISION.—A decision made after a hearing under subparagraph

(A) shall be final, except that a party may request an impartial review if the State has established procedures for such review under subparagraph (D) and a party involved in a hearing may bring a civil action under subparagraph (J).

''(H) FINALITY OF REVIEW.—A decision made under subparagraph (F) shall be final unless such a party brings a civil action under subparagraph (J).

''(I) IMPLEMENTATION.—If a party brings a civil action under subparagraph (J) to challenge a final decision of a hearing officer under subparagraph (A) or to challenge a final decision of a State reviewing official under subparagraph (F), the final decision involved shall be implemented pending review by the court.

''(J) CIVIL ACTION.—

''(i) IN GENERAL.—Any party aggrieved by a final decision described in subparagraph (I), may bring a civil action for review of such decision. The action may be brought in any State court of competent jurisdiction or in a district court of the United States of competent jurisdiction without regard to the amount in controversy.

''(ii) PROCEDURE.—In any action brought under this subparagraph, the court—

''(I) shall receive the records relating to the hearing under subparagraph (A) and the records relating to the State review under subparagraphs (D) through (F), if applicable;

''(II) shall hear additional evidence at the request of a party to the action; and

''(III) basing the decision of the court on the preponderance of the evidence, shall grant such relief as the court determines to be appropriate.

''(6) HEARING BOARD.—

''(A) IN GENERAL.—A fair hearing board, established by a State before January 1, 1985, and authorized under State law to review determinations or decisions under this Act, is authorized to carry out the responsibilities of the impartial hearing officer under this subsection.

''(B) APPLICATION.—The provisions of paragraphs (1), (2), and (3) that relate to due process hearings do not apply, and paragraph (5) (other than subparagraph (J)) does not apply, to any State to which subparagraph (A) applies.

''(7) IMPACT ON PROVISION OF SERVICES.—Unless the individual with a disability so requests, or, in an appropriate case, the individual's representative, so requests, pending a decision by a mediator, hearing officer, or reviewing officer under this subsection, the designated State unit shall not institute a suspension, reduction, or termination of services being provided for the individual, including evaluation and assessment services and plan development, unless such services have been obtained through misrepresentation, fraud, collusion, or criminal conduct on the part of the individual, or the individual's representative.

''(8) INFORMATION COLLECTION AND REPORT.—

''(A) IN GENERAL.—The Director of the designated State unit shall collect information described in subparagraph (B) and prepare and submit to the Commissioner a report containing such information. The Commissioner shall prepare a summary of the information furnished under this paragraph and include the summary in the annual report submitted under section 13. The Commissioner shall also collect copies of the final decisions of impartial hearing officers conducting hearings under this subsection and State officials conducting reviews under this subsection.

''(B) INFORMATION.—The information required to be collected under this subsection includes—

''(i) a copy of the standards used by State reviewing officials for reviewing decisions made by impartial hearing officers under this subsection;

''(ii) information on the number of hearings and reviews sought from the impartial hearing officers and the State reviewing officials, including the type of complaints and the issues involved;

''(iii) information on the number of hearing decisions made under this subsection that were not reviewed by the State reviewing officials; and

''(iv) information on the number of the hearing decisions that were reviewed by the State reviewing officials, and, based on such reviews, the number of hearing decisions that were—

''(I) sustained in favor of an applicant or eligible individual;

''(II) sustained in favor of the designated State unit;

''(III) reversed in whole or in part in favor of the applicant or eligible individual; and

''(IV) reversed in whole or in part in favor of the designated State unit.

''(C) CONFIDENTIALITY.—The confidentiality of records of applicants and eligible individuals maintained by the designated State unit shall not preclude the access of the Commissioner to those records for the purposes described in subparagraph (A).

''(d) POLICIES AND PROCEDURES.—Each designated State agency, in consultation with the State Rehabilitation Council, if the State has such a council, shall, consistent with section 100(a)(3)(C), develop and implement written policies and procedures that enable each individual who is an applicant for or eligible to receive vocational rehabilitation services under this title to exercise informed choice throughout the vocational rehabilitation process carried out under this title, including policies and procedures that require the designated State agency—

''(1) to inform each such applicant and eligible individual (including students with disabilities who are making the transition from programs under the responsibility of an educational agency to programs under the responsibility of the designated State unit), through appropriate modes of communication, about the availability of, and opportunities to exercise, informed choice, including the availability of support services for individuals with cognitive or other disabilities who require assistance in exercising informed choice, throughout the vocational rehabilitation process;

''(2) to assist applicants and eligible individuals in exercising informed choice in decisions related to the provision of assessment services under this title;

''(3) to develop and implement flexible procurement policies and methods that facilitate the provision of services, and that afford eligible individuals meaningful choices among the methods used to procure services, under this title;

''(4) to provide or assist eligible individuals in acquiring information that enables those individuals to exercise informed choice under this title in the selection of—

''(A) the employment outcome;

''(B) the specific vocational rehabilitation services needed to achieve the employment outcome;

''(C) the entity that will provide the services;

''(D) the employment setting and the settings in which the services will be provided; and

''(E) the methods available for procuring the services; and

''(5) to ensure that the availability and scope of informed choice provided under this section is consistent with the obligations of the designated State agency under this title.

''SEC. 103. VOCATIONAL REHABILITATION SERVICES.

''(a) VOCATIONAL REHABILITATION SERVICES FOR INDIVIDUALS.—Vocational rehabilitation services provided under this title are any services described in an individualized plan for employment necessary to assist an individual with a disability in preparing for, securing, retaining, or regaining an employment outcome that is consistent with the strengths, resources, priorities, concerns, abilities, capabilities, interests, and informed choice of the individual, including—

''(1) an assessment for determining eligibility and vocational rehabilitation needs by qualified personnel, including, if appropriate, an assessment by personnel skilled in rehabilitation technology;

''(2) counseling and guidance, including information and support services to assist an individual in exercising informed choice consistent with the provisions of section 102(d);

''(3) referral and other services to secure needed services from other agencies through agreements developed under section 101(a)(11), if such services are not available under this title;

''(4) job-related services, including job search and placement assistance, job retention services, followup services, and follow-along services;

''(5) vocational and other training services, including the provision of personal and vocational adjustment services, books, tools, and other training materials, except that no training services provided at an institution of higher education shall be paid for with funds under this title unless maximum efforts have been made by the designated State unit and the individual to secure grant assistance, in whole or in part, from other sources to pay for such training;

''(6) to the extent that financial support is not readily available from a source (such as through health insurance of the individual or through comparable services and benefits consistent with section 101(a)(8)(A)), other than the designated State unit, diagnosis and treatment of physical and mental impairments, including—

''(A) corrective surgery or therapeutic treatment necessary to correct or substantially modify a physical or mental condition that constitutes a substantial impediment to employment, but is of such a nature that such correction or modification may reasonably be expected to eliminate or reduce such impediment to employment within a reasonable length of time;

''(B) necessary hospitalization in connection with surgery or treatment;

''(C) prosthetic and orthotic devices;

''(D) eyeglasses and visual services as prescribed by qualified personnel who meet State licensure laws and who are selected by the individual;

''(E) special services (including transplantation and dialysis), artificial kidneys, and supplies necessary for the treatment of individuals with end-stage renal disease; and

''(F) diagnosis and treatment for mental and emotional disorders by qualified personnel who meet State licensure laws;

''(7) maintenance for additional costs incurred while participating in an assessment for determining eligibility and vocational rehabilitation needs or while receiving services under an individualized plan for employment;

''(8) transportation, including adequate training in the use of public transportation vehicles and systems, that is provided in connection with the provision of any other service described in this section and needed by the individual to achieve an employment outcome;

''(9) on-the-job or other related personal assistance services provided while an individual is receiving other services described in this section;

''(10) interpreter services provided by qualified personnel for individuals who are deaf or hard of hearing, and reader services for individuals who are determined to be blind, after an examination by qualified personnel who meet State licensure laws;

''(11) rehabilitation teaching services, and orientation and mobility services, for individuals who are blind;

''(12) occupational licenses, tools, equipment, and initial stocks and supplies;

''(13) technical assistance and other consultation services to conduct market analyses, develop business plans, and otherwise provide resources, to the extent such resources are authorized to be provided through the statewide workforce investment system, to eligible individuals who are pursuing self-employment or telecommuting or establishing a small business operation as an employment outcome;

''(14) rehabilitation technology, including telecommunications, sensory, and other technological aids and devices;

''(15) transition services for students with disabilities, that facilitate the achievement of the employment outcome identified in the individualized plan for employment;

''(16) supported employment services;

''(17) services to the family of an individual with a disability necessary to assist the individual to achieve an employment outcome; and

''(18) specific post-employment services necessary to assist an individual with a disability to, retain, regain, or advance in employment.

''(b) VOCATIONAL REHABILITATION SERVICES FOR GROUPS OF INDIVIDUALS.—Vocational rehabilitation services provided for the benefit of groups of individuals with disabilities may also include the following:

''(1) In the case of any type of small business operated by individuals with significant disabilities the operation of which can be improved by management services and supervision provided by the designated State agency, the provision of such services and supervision, along or together with the acquisition by the designated State agency of vending facilities or other equipment and initial stocks and supplies.

''(2)(A) The establishment, development, or improvement of community rehabilitation programs, including, under special circumstances, the construction of a facility. Such programs shall be used to provide services that promote integration and competitive employment.

''(B) The provision of other services, that promise to contribute substantially to the rehabilitation of a group of individuals but that are not related directly to the individualized plan for employment of any 1 individual with a disability.

''(3) The use of telecommunications systems (including telephone, television, satellite, radio, and other similar systems) that have the potential for substantially improving delivery methods of activities described in this section and developing appropriate programming to meet the particular needs of individuals with disabilities.

''(4)(A) Special services to provide nonvisual access to information for individuals who are blind, including the use of telecommunications, Braille, sound recordings, or other appropriate media.

''(B) Captioned television, films, or video cassettes for individuals who are deaf or hard of hearing.

''(C) Tactile materials for individuals who are deaf-blind.

''(D) Other special services that provide information through tactile, vibratory, auditory, and visual media.

''(5) Technical assistance and support services to businesses that are not subject to title I of the Americans with Disabilities Act of 1990 (42 U.S.C. 12111 et seq.) and that are seeking to employ individuals with disabilities.

''(6) Consultative and technical assistance services to assist educational agencies in planning for the transition of students with disabilities from school to post-school activities, including employment.

''SEC. 104. NON-FEDERAL SHARE FOR ESTABLISHMENT OF PROGRAM OR CONSTRUCTION.

''For the purpose of determining the amount of payments to States for carrying out part B (or to an Indian tribe under part C), the non-Federal share, subject to such limitations and conditions as may be prescribed in regulations by the Commissioner, shall include contributions of funds made by any private agency, organization, or individual to a State or local agency to assist in meeting the costs of establishment of a community rehabilitation program or construction, under special circumstances, of a facility for such a program, which would be regarded as State or local funds except for the condition, imposed by the contributor, limiting use of such funds to establishment of such a program or construction of such a facility.

''SEC. 105. STATE REHABILITATION COUNCIL.

''(a) ESTABLISHMENT.—

''(1) IN GENERAL.—Except as provided in section 101(a)(21)(A)(i), to be eligible to receive financial assistance under this title a State shall establish a State Rehabilitation Council (referred to in this section as the 'Council') in accordance with this section.

''(2) SEPARATE AGENCY FOR INDIVIDUALS WHO ARE BLIND.—A State that designates a State agency to administer the part of the State plan under which vocational rehabilitation services are provided for individuals who are blind under section 101(a)(2)(A)(i) may establish a separate Council in accordance with this section to perform the duties of such a Council with respect to such State agency.

''(b) COMPOSITION AND APPOINTMENT.—

''(1) COMPOSITION.—

''(A) IN GENERAL.—Except in the case of a separate Council established under subsection (a)(2), the Council shall be composed of—

''(i) at least one representative of the Statewide Independent Living Council established under section 705, which representative may be the chairperson or other designee of the Council;

''(ii) at least one representative of a parent training and information center established pursuant to section 682(a) of the Individuals with Disabilities Education Act (as added by section 101 of the Individuals with Disabilities Education Act Amendments of 1997; Public Law 105–17);

''(iii) at least one representative of the client assistance program established under section 112;

''(iv) at least one qualified vocational rehabilitation counselor, with knowledge of and experience with vocational rehabilitation programs, who shall serve as an ex officio, nonvoting member of the Council if the counselor is an employee of the designated State agency;

''(v) at least one representative of community rehabilitation program service providers;

''(vi) four representatives of business, industry, and labor;

''(vii) representatives of disability advocacy groups representing a cross section of—

''(I) individuals with physical, cognitive, sensory, and mental disabilities; and

''(II) individuals' representatives of individuals with disabilities who have difficulty in representing themselves or are unable due to their disabilities to represent themselves;

''(viii) current or former applicants for, or recipients of, vocational rehabilitation services;

''(ix) in a State in which one or more projects are carried out under section 121, at least one representative of the directors of the projects;

''(x) at least one representative of the State educational agency responsible for the public education of students with disabilities who are eligible to receive services under this title and part B of the Individuals with Disabilities Education Act; and

''(xi) at least one representative of the State workforce investment board.

''(B) SEPARATE COUNCIL.—In the case of a separate Council established under subsection (a)(2), the Council shall be composed of—

''(i) at least one representative described in subparagraph (A)(i);

''(ii) at least one representative described in subparagraph (A)(ii);

''(iii) at least one representative described in subparagraph (A)(iii);

''(iv) at least one vocational rehabilitation counselor described in subparagraph (A)(iv), who shall serve as described in such subparagraph;

''(v) at least one representative described in subparagraph (A)(v);

''(vi) four representatives described in subparagraph (A)(vi);

''(vii) at least one representative of a disability advocacy group representing individuals who are blind;

''(viii) at least one individual's representative, of an individual who—

''(I) is an individual who is blind and has multiple disabilities; and

''(II) has difficulty in representing himself or herself or is unable due to disabilities to represent himself or herself;

''(ix) applicants or recipients described in subparagraph (A)(viii);

''(x) in a State described in subparagraph (A)(ix), at least one representative described in such subparagraph;

''(xi) at least one representative described in subparagraph (A)(x); and

''(xii) at least one representative described in subparagraph (A)(xi).

''(C) EXCEPTION.—In the case of a separate Council established under subsection (a)(2), any Council that is required by State law, as in effect on the date of enactment of the Rehabilitation Act Amendments of 1992, to have fewer than 15 members shall be deemed to be in compliance with subparagraph (B) if the Council—

''(i) meets the requirements of subparagraph (B), other than the requirements of clauses (vi) and (ix) of such subparagraph; and

''(ii) includes at least—

''(I) one representative described in subparagraph (B)(vi); and

''(II) one applicant or recipient described in subparagraph (B)(ix).

''(2) EX OFFICIO MEMBER.—The Director of the designated State unit shall be an ex officio, nonvoting member of the Council.

''(3) APPOINTMENT.—Members of the Council shall be appointed by the Governor. The Governor shall select members after soliciting recommendations from representatives of organizations representing a broad range of individuals with disabilities and organizations interested in individuals with disabilities. In selecting members, the Governor shall consider, to the greatest extent practicable, the extent to which minority populations are represented on the Council.

''(4) QUALIFICATIONS.—

''(A) IN GENERAL.—A majority of Council members shall be persons who are—

''(i) individuals with disabilities described in section 7(20)(A); and

''(ii) not employed by the designated State unit.

''(B) SEPARATE COUNCIL.—In the case of a separate Council established under subsection (a)(2), a majority of Council members shall be persons who are—

''(i) blind; and

''(ii) not employed by the designated State unit.

''(5) CHAIRPERSON.—

''(A) IN GENERAL.—Except as provided in subparagraph (B), the Council shall select a chairperson from among the membership of the Council.

''(B) DESIGNATION BY GOVERNOR.—In States in which the chief executive officer does not have veto power pursuant to State law, the Governor shall designate a member of the Council to serve as the chairperson of the Council or shall require the Council to so designate such a member.

''(6) TERMS OF APPOINTMENT.—

''(A) LENGTH OF TERM.—Each member of the Council shall serve for a term of not more than 3 years, except that—

''(i) a member appointed to fill a vacancy occurring prior to the expiration of the term for which a predecessor was appointed, shall be appointed for the remainder of such term; and

''(ii) the terms of service of the members initially appointed shall be (as specified by the Governor) for such fewer number of years as will provide for the expiration of terms on a staggered basis.

''(B) NUMBER OF TERMS.—No member of the Council, other than a representative described in clause (iii) or (ix) of paragraph (1)(A), or clause (iii) or (x) of paragraph (1)(B), may serve more than two consecutive full terms.

''(7) VACANCIES.—

''(A) IN GENERAL.—Except as provided in subparagraph (B), any vacancy occurring in the

membership of the Council shall be filled in the same manner as the original appointment. The vacancy shall not affect the power of the remaining members to execute the duties of the Council.

''(B) DELEGATION.—The Governor may delegate the authority to fill such a vacancy to the remaining members of the Council after making the original appointment.

''(c) FUNCTIONS OF COUNCIL.—The Council shall, after consulting with the State workforce investment board—

''(1) review, analyze, and advise the designated State unit regarding the performance of the responsibilities of the unit under this title, particularly responsibilities relating to—

''(A) eligibility (including order of selection);

''(B) the extent, scope, and effectiveness of services provided; and

''(C) functions performed by State agencies that affect or that potentially affect the ability of individuals with disabilities in achieving employment outcomes under this title;

''(2) in partnership with the designated State unit—

''(A) develop, agree to, and review State goals and priorities in accordance with section 101(a)(15)(C); and

''(B) evaluate the effectiveness of the vocational rehabilitation program and submit reports of progress to the Commissioner in accordance with section 101(a)(15)(E);

''(3) advise the designated State agency and the designated State unit regarding activities authorized to be carried out under this title, and assist in the preparation of the State plan and amendments to the plan, applications, reports, needs assessments, and evaluations required by this title;

''(4) to the extent feasible, conduct a review and analysis of the effectiveness of, and consumer satisfaction with—

''(A) the functions performed by the designated State agency;

''(B) vocational rehabilitation services provided by State agencies and other public and private entities responsible for providing vocational rehabilitation services to individuals with disabilities under this Act; and

''(C) employment outcomes achieved by eligible individuals receiving services under this title, including the availability of health and other employment benefits in connection with such employment outcomes;

''(5) prepare and submit an annual report to the Governor and the Commissioner on the status of vocational rehabilitation programs operated within the State, and make the report available to the public;

''(6) to avoid duplication of efforts and enhance the number of individuals served, coordinate activities with the activities of other councils within the State, including the Statewide Independent Living Council established under section 705, the advisory panel established under section 612(a)(21) of the Individual with Disabilities Education Act (as amended by section 101 of the Individuals with Disabilities Education Act Amendments of 1997; Public Law 105–17), the State Developmental Disabilities Council described in section 124 of the Developmental Disabilities Assistance and Bill of Rights Act (42 U.S.C. 6024), the State mental health planning council established under section 1914(a) of the Public Health Service Act (42 U.S.C. 300x–4(a)), and the State workforce investment board;

''(7) provide for coordination and the establishment of working relationships between the designated State agency and the Statewide Independent Living Council and centers for independent living within the State; and

''(8) perform such other functions, consistent with the purpose of this title, as the State Rehabilitation Council determines to be appropriate, that are comparable to the other functions performed by the Council.

''(d) RESOURCES.—

''(1) PLAN.—The Council shall prepare, in conjunction with the designated State unit, a plan for the provision of such resources, including such staff and other personnel, as may be necessary and sufficient to carry out the functions of the Council under this section. The resource plan shall, to the maximum extent possible, rely on the use of resources in existence during the period of implementation of the plan.

''(2) RESOLUTION OF DISAGREEMENTS.—To the extent that there is a disagreement between the Council and the designated State unit in regard to the resources necessary to carry out the functions of the Council as set forth in this section, the disagreement shall be resolved by the Governor consistent with paragraph (1).

''(3) SUPERVISION AND EVALUATION.—Each Council shall, consistent with State law, supervise and evaluate such staff and other personnel as may be necessary to carry out its functions under this section.

''(4) PERSONNEL CONFLICT OF INTEREST.—While assisting the Council in carrying out its duties, staff and other personnel shall not be assigned duties by the designated State unit or any other agency or office of the State, that would create a conflict of interest.

''(e) CONFLICT OF INTEREST.—No member of the Council shall cast a vote on any matter that would provide direct financial benefit to the member or otherwise give the appearance of a conflict of interest under State law.

''(f) MEETINGS.—The Council shall convene at least 4 meetings a year in such places as it determines to be necessary to conduct Council business and conduct such forums or hearings as the Council considers appropriate. The meetings, hearings, and forums shall be publicly announced. The meetings shall be open and accessible to the general public unless there is a valid reason for an executive session.

''(g) COMPENSATION AND EXPENSES.—The Council may use funds allocated to the Council by the designated State unit under this title (except for funds appropriated to carry out the client assistance program under section 112 and funds reserved pursuant to section 110(c) to carry out part C) to reimburse members of the Council for reasonable and necessary expenses of attending Council meetings and performing Council duties (including child care and personal assistance services), and to pay compensation to a member of the Council, if such member is not employed or must forfeit wages from other employment, for each day the member is engaged in performing the duties of the Council.

''(h) HEARINGS AND FORUMS.—The Council is authorized to hold such hearings and forums as the Council may determine to be necessary to carry out the duties of the Council.

''SEC. 106. EVALUATION STANDARDS AND PERFORMANCE INDICATORS.

''(a) ESTABLISHMENT.—

''(1) IN GENERAL.—

''(A) ESTABLISHMENT OF STANDARDS AND INDICATORS.—The Commissioner shall, not later than July 1, 1999, establish and publish evaluation standards and performance indicators for the vocational rehabilitation program carried out under this title.

''(B) REVIEW AND REVISION.—Effective July 1, 1999, the Commissioner shall review and, if necessary, revise the evaluation standards and performance indicators every 3 years. Any revisions of the standards and indicators shall be developed with input from State vocational rehabilitation agencies, related professional and consumer organizations, recipients of vocational rehabilitation services, and other interested parties. Any revisions of the standards and indicators shall be subject to the publication, review, and comment provisions of paragraph (3).

''(C) BASES.—Effective July 1, 1999, to the maximum extent practicable, the standards and indicators shall be consistent with the core indicators of performance established under section 136(b) of the Workforce Investment Act of 1998.

''(2) MEASURES.—The standards and indicators shall include outcome and related measures of program performance that facilitate the accomplishment of the purpose and policy of this title.

''(3) COMMENT.—The standards and indicators shall be developed with input from State vocational rehabilitation agencies, related professional and consumer organizations, recipients of vocational rehabilitation services, and other interested parties. The Commissioner shall publish in the Federal Register a notice of intent to regulate regarding the development of proposed standards and indicators. Proposed standards and indicators shall be published in the Federal Register for review and comment. Final standards and indicators shall be published in the Federal Register.

''(b) COMPLIANCE.—

''(1) STATE REPORTS.—In accordance with regulations established by the Secretary, each State shall report to the Commissioner after the end of each fiscal year the extent to which the State is in compliance with the standards and indicators.

''(2) PROGRAM IMPROVEMENT.—

''(A) PLAN.—If the Commissioner determines that the performance of any State is below established standards, the Commissioner shall provide technical assistance to the State, and the State and the Commissioner shall jointly develop a program improvement plan outlining the specific actions to be taken by the State to improve program performance.

''(B) REVIEW.—The Commissioner shall—

''(i) review the program improvement efforts of the State on a biannual basis and, if necessary, request the State to make further revisions to the plan to improve performance; and

''(ii) continue to conduct such reviews and request such revisions until the State sustains satisfactory performance over a period of more than 1 year.

''(c) WITHHOLDING.—If the Commissioner determines that a State whose performance falls below the established standards has failed to enter into a program improvement plan, or is not complying substantially with the terms and conditions of such a program improvement plan, the Commissioner shall, consistent with subsections (c) and (d) of section 107, reduce or make no further payments to the State under this program, until the State has entered into an approved program improvement plan, or satisfies the Commissioner that the State is complying substantially with the terms and conditions of such a program improvement plan, as appropriate.

''(d) REPORT TO CONGRESS.—Beginning in fiscal year 1999, the Commissioner shall include in each annual report to the Congress under section 13 an analysis of program performance, including relative State performance, based on the standards and indicators.

''SEC. 107. MONITORING AND REVIEW.

''(a) IN GENERAL.—

''(1) DUTIES.—In carrying out the duties of the Commissioner under this title, the Commissioner shall—

''(A) provide for the annual review and periodic onsite monitoring of programs under this title; and

''(B) determine whether, in the administration of the State plan, a State is complying substantially with the provisions of such plan and with evaluation standards and performance indicators established under section 106.

''(2) PROCEDURES FOR REVIEWS.—In conducting reviews under this section the Commissioner shall consider, at a minimum—

''(A) State policies and procedures;

''(B) guidance materials;

''(C) decisions resulting from hearings conducted in accordance with due process;

''(D) State goals established under section 101(a)(15) and the extent to which the State has achieved such goals;

''(E) plans and reports prepared under section 106(b);

''(F) consumer satisfaction reviews and analyses described in section 105(c)(4);

''(G) information provided by the State Rehabilitation Council established under section 105, if the State has such a Council, or by the commission described in section 101(a)(21)(A)(i), if the State has such a commission;

''(H) reports; and

''(I) budget and financial management data.

''(3) PROCEDURES FOR MONITORING.—In conducting monitoring under this section the Commissioner shall conduct—

''(A) onsite visits, including onsite reviews of records to verify that the State is following requirements regarding the order of selection set forth in section 101(a)(5)(A);

''(B) public hearings and other strategies for collecting information from the public;

''(C) meetings with the State Rehabilitation Council, if the State has such a Council or with the commission described in section 101(a)(21)(A)(i), if the State has such a commission;

''(D) reviews of individual case files, including individualized plans for employment and ineligibility determinations; and

''(E) meetings with qualified vocational rehabilitation counselors and other personnel.

''(4) AREAS OF INQUIRY.—In conducting the review and monitoring, the Commissioner shall examine—

''(A) the eligibility process;

''(B) the provision of services, including, if applicable, the order of selection;

''(C) such other areas as may be identified by the public or through meetings with the State Rehabilitation Council, if the State has such a Council or with the commission described in section 101(a)(21)(A)(i), if the State has such a commission; and

''(D) such other areas of inquiry as the Commissioner may consider appropriate.

''(5) REPORTS.—If the Commissioner issues a report detailing the findings of an annual review or onsite monitoring conducted under this section, the report shall be made available to the State Rehabilitation Council, if the State has such a Council, for use in the development and modification of the State plan described in section 101.

''(b) TECHNICAL ASSISTANCE.—The Commissioner shall—

''(1) provide technical assistance to programs under this title regarding improving the quality of vocational rehabilitation services provided; and

''(2) provide technical assistance and establish a corrective action plan for a program under this title if the Commissioner finds that the program fails to comply substantially with the provisions of the State plan, or with evaluation standards or performance indicators established under section 106, in order to ensure that such failure is corrected as soon as practicable.

''(c) FAILURE TO COMPLY WITH PLAN.—

''(1) WITHHOLDING PAYMENTS.—Whenever the Commissioner, after providing reasonable notice and an opportunity for a hearing to the State agency administering or supervising the administration of the State plan approved under section 101, finds that—

''(A) the plan has been so changed that it no longer complies with the requirements of section 101(a); or

''(B) in the administration of the plan there is a failure to comply substantially with any provision of such plan or with an evaluation standard or performance indicator established under section 106,

the Commissioner shall notify such State agency that no further payments will be made to the State under this title (or, in the discretion of the Commissioner, that such further payments will be reduced, in accordance with regulations the Commissioner shall prescribe, or that further payments will not be made to the State only for the projects under the parts of the State plan affected by such failure), until the Commissioner is satisfied there is no longer any such failure.

''(2) PERIOD.—Until the Commissioner is so satisfied, the Commissioner shall make no further payments to such State under this title (or shall reduce payments or limit payments to projects under those parts of the State plan in which there is no such failure).

''(3) DISBURSAL OF WITHHELD FUNDS.—The Commissioner may, in accordance with regulations the Secretary shall prescribe, disburse any funds withheld from a State under paragraph (1) to any public or nonprofit private organization or agency within such State or to any political subdivision of such State submitting a plan meeting the requirements of section 101(a). The Commissioner may not make any payment under this paragraph unless the entity to which such payment is made has provided assurances to the Commissioner that such entity will contribute, for purposes of carrying out such plan, the same amount as the State would have been obligated to contribute if the State received such payment.

''(d) REVIEW.—

''(1) PETITION.—Any State that is dissatisfied with a final determination of the Commissioner under section 101(b) or subsection (c) may file a petition for judicial review of such determination in the United States Court of Appeals for the circuit in which the State is located. Such a petition may be filed only within the 30-day period beginning on the date that notice of such final determination was received by the State. The clerk of the court shall transmit a copy of the petition to the Commissioner or to any officer designated by the Commissioner for that purpose. In accordance with section 2112 of title 28, United States Code, the Commissioner shall file with the court a record of the proceeding on which the Commissioner based the determination being appealed by the State. Until a record is so filed, the Commissioner may modify or set aside any determination made under such proceedings.

''(2) SUBMISSIONS AND DETERMINATIONS.—If, in an action under this subsection to review a final determination of the Commissioner under section 101(b) or subsection (c), the petitioner or the Commissioner applies to the court for leave to have additional oral submissions or written presentations made respecting such determination, the court may, for good cause shown, order the Commissioner to provide within 30 days an additional opportunity to make such submissions and presentations. Within such period, the Commissioner may revise any findings of fact, modify or set aside the determination being reviewed, or make a new determination by reason of the additional submissions and presentations, and shall file such modified or new determination, and any revised findings of fact, with the return of such submissions and presentations. The court shall thereafter review such new or modified determination.

''(3) STANDARDS OF REVIEW.—

''(A) IN GENERAL.—Upon the filing of a petition under paragraph (1) for judicial review of a determination, the court shall have jurisdiction—

''(i) to grant appropriate relief as provided in chapter 7 of title 5, United States Code, except for interim relief with respect to a determination under subsection (c); and

''(ii) except as otherwise provided in subparagraph (B), to review such determination in accordance with chapter 7 of title 5, United States Code.

''(B) SUBSTANTIAL EVIDENCE.—Section 706 of title 5, United States Code, shall apply to the review of any determination under this subsection, except that the standard for review prescribed by paragraph (2)(E) of such section 706 shall not apply and the court shall hold unlawful and set aside such determination if the court finds that the determination is not supported by substantial evidence in the record of the proceeding submitted pursuant to paragraph (1), as supplemented by any additional submissions and presentations filed under paragraph (2).

''SEC. 108. EXPENDITURE OF CERTAIN AMOUNTS.

''(a) EXPENDITURE.—Amounts described in subsection (b) may not be expended by a State for any purpose other than carrying out programs for which the State receives financial assistance under this title, under part B of title VI, or under title VII.

''(b) AMOUNTS.—The amounts referred to in subsection (a) are amounts provided to a State under the Social Security Act (42 U.S.C. 301 et seq.) as reimbursement for the expenditure of payments received by the State from allotments under section 110 of this Act.

''SEC. 109. TRAINING OF EMPLOYERS WITH RESPECT TO AMERICANS WITH DISABILITIES ACT OF 1990.

''A State may expend payments received under section 111—

''(1) to carry out a program to train employers with respect to compliance with the requirements of title I of the Americans with Disabilities Act of 1990 (42 U.S.C. 12111 et seq.); and

''(2) to inform employers of the existence of the program and the availability of the services of the program.

''PART B—BASIC VOCATIONAL REHABILITATION SERVICES

''STATE ALLOTMENTS

''SEC. 110. (a)(1) Subject to the provisions of subsection (c), for each fiscal year beginning before October 1, 1978, each State shall be entitled to an allotment of an amount bearing the same ratio to the amount authorized to be appropriated under section 100(b)(1) for allotment under this section as the product of—

''(A) the population of the State; and

''(B) the square of its allotment percentage,

bears to the sum of the corresponding products for all the States.

''(2)(A) For each fiscal year beginning on or after October 1, 1978, each State shall be entitled to an allotment in an amount equal to the amount such State received under paragraph (1) for the fiscal year ending September 30, 1978, and an additional amount determined pursuant to subparagraph (B) of this paragraph.

''(B) For each fiscal year beginning on or after October 1, 1978, each State shall be entitled to an allotment, from any amount authorized to be appropriated for such fiscal year under section 100(b)(1) for allotment under this section in excess of the amount appropriated under section 100(b)(1)(A) for the fiscal year ending September 30, 1978, in an amount equal to the sum of—

''(i) an amount bearing the same ratio to 50 percent of such excess amount as the product of the population of the State and the square of its allotment percentage bears to the sum of the corresponding products for all the States; and

''(ii) an amount bearing the same ratio to 50 percent of such excess amount as the product of the population of the State and its allotment percentage bears to the sum of the corresponding products for all the States.

''(3) The sum of the payment to any State (other than Guam, American Samoa, the Virgin Islands, and the Commonwealth of the Northern Mariana Islands) under this subsection for any fiscal year which is less than one-third of 1 percent of the amount appropriated under section 100(b)(1), or $3,000,000, whichever is greater, shall be increased to that amount, the total of the increases thereby required being derived by proportionately reducing the allotment to each of the remaining such States under this subsection, but with such adjustments as may be necessary to prevent the sum of the allotments made under this subsection to any such remaining State from being thereby reduced to less than that amount.

''(b)(1) Not later than forty-five days prior to the end of the fiscal year, the Commissioner shall determine, after reasonable opportunity for the submission to the Commissioner of comments by the State agency administering or supervising the program established under this title, that any payment of an allotment to a

State under section 111(a) for any fiscal year will not be utilized by such State in carrying out the purposes of this title.

''(2) As soon as practicable but not later than the end of the fiscal year, the Commissioner shall make such amount available for carrying out the purposes of this title to one or more other States to the extent the Commissioner determines such other State will be able to use such additional amount during that fiscal year or the subsequent fiscal year for carrying out such purposes. The Commissioner shall make such amount available only if such other State will be able to make sufficient payments from non-Federal sources to pay for the non-Federal share of the cost of vocational rehabilitation services under the State plan for the fiscal year for which the amount was appropriated.

''(3) For the purposes of this part, any amount made available to a State for any fiscal year pursuant to this subsection shall be regarded as an increase of such State's allotment (as determined under the preceding provisions of this section) for such year.

''(c)(1) For fiscal year 1987 and for each subsequent fiscal year, the Commissioner shall reserve from the amount appropriated under section 100(b)(1) for allotment under this section a sum, determined under paragraph (2), to carry out the purposes of part C.

''(2) The sum referred to in paragraph (1) shall be, as determined by the Secretary—

''(A) not less than three-quarters of 1 percent and not more than 1.5 percent of the amount referred to in paragraph (1), for fiscal year 1999; and

''(B) not less than 1 percent and not more than 1.5 percent of the amount referred to in paragraph (1), for each of fiscal years 2000 through 2003.

''PAYMENTS TO STATES

''SEC. 111. (a)(1) Except as provided in paragraph (2), from each State's allotment under this part for any fiscal year, the Commissioner shall pay to a State an amount equal to the Federal share of the cost of vocational rehabilitation services under the plan for that State approved under section 101, including expenditures for the administration of the State plan.

''(2)(A) The total of payments under paragraph (1) to a State for a fiscal year may not exceed its allotment under subsection (a) of section 110 for such year.

''(B) For fiscal year 1994 and each fiscal year thereafter, the amount otherwise payable to a State for a fiscal year under this section shall be reduced by the amount by which expenditures from non-Federal sources under the State plan under this title for the previous fiscal year are less than the total of such expenditures for the second fiscal year preceding the previous fiscal year.

''(C) The Commissioner may waive or modify any requirement or limitation under subparagraph (B) or section 101(a)(17) if the Commissioner determines that a waiver or modification is an equitable response to exceptional or uncontrollable circumstances affecting the State.

''(3)(A) Except as provided in subparagraph (B), the amount of a payment under this section with respect to any construction project in any State shall be equal to the same percentage of the cost of such project as the Federal share that is applicable in the case of rehabilitation facilities (as defined in section 645(g) of the Public Health Service Act (42 U.S.C. 291o(a))), in such State.

''(B) If the Federal share with respect to rehabilitation facilities in such State is determined pursuant to section 645(b)(2) of such Act (42 U.S.C. 291o(b)(2)), the percentage of the cost for purposes of this section shall be determined in accordance with regulations prescribed by the Commissioner designed to achieve as nearly as practicable results comparable to the results obtained under such section.

''(b) The method of computing and paying amounts pursuant to subsection (a) shall be as follows:

''(1) The Commissioner shall, prior to the beginning of each calendar quarter or other period prescribed by the Commissioner, estimate the amount to be paid to each State under the provisions of such subsection for such period, such estimate to be based on such records of the State and information furnished by it, and such other investigation as the Commissioner may find necessary.

''(2) The Commissioner shall pay, from the allotment available therefor, the amount so estimated by the Commissioner for such period, reduced or increased, as the case may be, by any sum (not previously adjusted under this paragraph) by which the Commissioner finds that the estimate of the amount to be paid the State for any prior period under such subsection was greater or less than the amount which should have been paid to the State for such prior period under such subsection. Such payment shall be made prior to audit or settlement by the General Accounting Office, shall be made through the disbursing facilities of the Treasury Department, and shall be made in such installments as the Commissioner may determine.

''CLIENT ASSISTANCE PROGRAM

''SEC. 112. (a) From funds appropriated under subsection (h), the Secretary shall, in accordance with this section, make grants to States to establish and carry out client assistance programs to provide assistance in informing and advising all clients and client applicants of all available benefits under this Act, and, upon request of such clients or client applicants, to assist and advocate for such clients or applicants in their relationships with projects, programs, and services provided under this Act, including assistance and advocacy in pursuing legal, administrative, or other appropriate remedies to ensure the protection of the rights of such individuals under this Act and to facilitate access to the services funded under this Act through individual and systemic advocacy. The client assistance program shall provide information on the available services and benefits under this Act and title I of the Americans with Disabilities Act of 1990 (42 U.S.C. 12111 et seq.) to individuals with disabilities in the State, especially with regard to individuals with disabilities who have traditionally been unserved or underserved by vocational rehabilitation programs. In providing assistance and advocacy under this subsection with respect to services under this title, a client assistance program may provide the assistance and advocacy with respect to services that are directly related to facilitating the employment of the individual.

''(b) No State may receive payments from its allotment under this Act in any fiscal year unless the State has in effect not later than October 1, 1984, a client assistance program which—

''(1) has the authority to pursue legal, administrative, and other appropriate remedies to ensure the protection of rights of individuals with disabilities who are receiving treatments, services, or rehabilitation under this Act within the State; and

''(2) meets the requirements of designation under subsection (c).

''(c)(1)(A) The Governor shall designate a public or private agency to conduct the client assistance program under this section. Except as provided in the last sentence of this subparagraph, the Governor shall designate an agency which is independent of any agency which provides treatment, services, or rehabilitation to individuals under this Act. If there is an agency in the State which has, or had, prior to the date of enactment of the Rehabilitation Amendments of 1984, served as a client assistance agency under this section and which received Federal financial assistance under this Act, the Governor may, in the initial designation, designate an agency which provides treatment, services, or rehabilitation to individuals with disabilities under this Act.

''(B)(i) The Governor may not redesignate the agency designated under subparagraph (A) without good cause and unless—

''(I) the Governor has given the agency 30 days notice of the intention to make such redesignation, including specification of the good cause for such redesignation and an opportunity to respond to the assertion that good cause has been shown;

''(II) individuals with disabilities or the individuals' representatives have timely notice of the redesignation and opportunity for public comment; and

''(III) the agency has the opportunity to appeal to the Commissioner on the basis that the redesignation was not for good cause.

''(ii) If, after the date of enactment of the Rehabilitation Act Amendments of 1998—

''(I) a designated State agency undergoes any change in the organizational structure of the agency that results in the creation of 1 or more new State agencies or departments or results in the merger of the designated State agency with 1 or more other State agencies or departments; and

''(II) an agency (including an office or other unit) within the designated State agency was conducting a client assistance program before the change under the last sentence of subparagraph (A),

the Governor shall redesignate the agency conducting the program. In conducting the redesignation, the Governor shall designate to conduct the program an agency that is independent of any agency that provides treatment, services, or rehabilitation to individuals with disabilities under this Act.

''(2) In carrying out the provisions of this section, the Governor shall consult with the director of the State vocational rehabilitation agency, the head of the developmental disability protection and advocacy agency, and with representatives of professional and consumer organizations serving individuals with disabilities in the State.

''(3) The agency designated under this subsection shall be accountable for the proper use of funds made available to the agency.

''(d) The agency designated under subsection (c) of this section may not bring any class action in carrying out its responsibilities under this section.

''(e)(1)(A) The Secretary shall allot the sums appropriated for each fiscal year under this section among the States on the basis of relative population of each State, except that no State shall receive less than $50,000.

''(B) The Secretary shall allot $30,000 each to American Samoa, Guam, the Virgin Islands, and the Commonwealth of the Northern Mariana Islands.

''(C) For the purpose of this paragraph, the term 'State' does not include American Samoa, Guam, the Virgin Islands, and the Commonwealth of the Northern Mariana Islands.

''(D)(i) In any fiscal year that the funds appropriated for such fiscal year exceed $7,500,000, the minimum allotment shall be $100,000 for States and $45,000 for territories.

''(ii) For any fiscal year in which the total amount appropriated under subsection (h) exceeds the total amount appropriated under such subsection for the preceding fiscal year, the Secretary shall increase each of the minimum allotments under clause (i) by a percentage that shall not exceed the percentage increase in the total amount appropriated under such subsection between the preceding fiscal year and the fiscal year involved.

''(2) The amount of an allotment to a State for a fiscal year which the Secretary determines will not be required by the State during the period for which it is available for the purpose for which allotted shall be available for reallotment by the Secretary at appropriate times to other States with respect to which such a determination has not been made, in proportion to the original allotments of such States for such fiscal

year, but with such proportionate amount for any of such other States being reduced to the extent it exceeds the sum the Secretary estimates such State needs and will be able to use during such period, and the total of such reduction shall be similarly reallotted among the States whose proportionate amounts were not so reduced. Any such amount so reallotted to a State for a fiscal year shall be deemed to be a part of its allotment for such fiscal year.

''(3) Except as specifically prohibited by or as otherwise provided in State law, the Secretary shall pay to the agency designated under subsection (c) the amount specified in the application approved under subsection (f).

''(f) No grant may be made under this section unless the State submits an application to the Secretary at such time, in such manner, and containing or accompanied by such information as the Secretary deems necessary to meet the requirements of this section.

''(g) The Secretary shall prescribe regulations applicable to the client assistance program which shall include the following requirements:

''(1) No employees of such programs shall, while so employed, serve as staff or consultants of any rehabilitation project, program, or facility receiving assistance under this Act in the State.

''(2) Each program shall be afforded reasonable access to policymaking and administrative personnel in the State and local rehabilitation programs, projects, or facilities.

''(3)(A) Each program shall contain provisions designed to assure that to the maximum extent possible alternative means of dispute resolution are available for use at the discretion of an applicant or client of the program prior to resorting to litigation or formal adjudication to resolve a dispute arising under this section.

''(B) In subparagraph (A), the term 'alternative means of dispute resolution' means any procedure, including good faith negotiation, conciliation, facilitation, mediation, factfinding, and arbitration, and any combination of procedures, that is used in lieu of litigation in a court or formal adjudication in an administrative forum, to resolve a dispute arising under this section.

''(4) For purposes of any periodic audit, report, or evaluation of the performance of a client assistance program under this section, the Secretary shall not require such a program to disclose the identity of, or any other personally identifiable information related to, any individual requesting assistance under such program.

''(h) There are authorized to be appropriated such sums as may be necessary for fiscal years 1999 through 2003 to carry out the provisions of this section.

''PART C—AMERICAN INDIAN VOCATIONAL REHABILITATION SERVICES

''VOCATIONAL REHABILITATION SERVICES GRANTS

''SEC. 121. (a) The Commissioner, in accordance with the provisions of this part, may make grants to the governing bodies of Indian tribes located on Federal and State reservations (and consortia of such governing bodies) to pay 90 percent of the costs of vocational rehabilitation services for American Indians who are individuals with disabilities residing on or near such reservations. The non-Federal share of such costs may be in cash or in kind, fairly valued, and the Commissioner may waive such non-Federal share requirement in order to carry out the purposes of this Act.

''(b)(1) No grant may be made under this part for any fiscal year unless an application therefor has been submitted to and approved by the Commissioner. The Commissioner may not approve an application unless the application—

''(A) is made at such time, in such manner, and contains such information as the Commissioner may require;

''(B) contains assurances that the rehabilitation services provided under this part to American Indians who are individuals with disabilities residing on or near a reservation in a State shall be, to the maximum extent feasible, comparable to rehabilitation services provided under this title to other individuals with disabilities residing in the State and that, where appropriate, may include services traditionally used by Indian tribes; and

''(C) contains assurances that the application was developed in consultation with the designated State unit of the State.

''(2) The provisions of sections 5, 6, 7, and 102(a) of the Indian Self-Determination and Education Assistance Act shall be applicable to any application submitted under this part. For purposes of this paragraph, any reference in any such provision to the Secretary of Education or to the Secretary of the Interior shall be considered to be a reference to the Commissioner.

''(3) Any application approved under this part shall be effective for not more than 60 months, except as determined otherwise by the Commissioner pursuant to prescribed regulations. The State shall continue to provide vocational rehabilitation services under its State plan to American Indians residing on or near a reservation whenever such State includes any such American Indians in its State population under section 110(a)(1).

''(4) In making grants under this part, the Secretary shall give priority consideration to applications for the continuation of programs which have been funded under this part.

''(5) Nothing in this section may be construed to authorize a separate service delivery system for Indian residents of a State who reside in non-reservation areas.

''(c) The term 'reservation' includes Indian reservations, public domain Indian allotments, former Indian reservations in Oklahoma, and land held by incorporated Native groups, regional corporations, and village corporations under the provisions of the Alaska Native Claims Settlement Act.

''PART D—VOCATIONAL REHABILITATION SERVICES CLIENT INFORMATION

''SEC. 131. DATA SHARING.

''(a) IN GENERAL.—

''(1) MEMORANDUM OF UNDERSTANDING.—The Secretary of Education and the Secretary of Health and Human Services shall enter into a memorandum of understanding for the purposes of exchanging data of mutual importance—

''(A) that concern clients of designated State agencies; and

''(B) that are data maintained either by—

''(i) the Rehabilitation Services Administration, as required by section 13; or

''(ii) the Social Security Administration, from its Summary Earnings and Records and Master Beneficiary Records.

''(2) EMPLOYMENT STATISTICS.—The Secretary of Labor shall provide the Commissioner with employment statistics specified in section 15 of the Wagner-Peyser Act, that facilitate evaluation by the Commissioner of the program carried out under part B, and allow the Commissioner to compare the progress of individuals with disabilities who are assisted under the program in securing, retaining, regaining, and advancing in employment with the progress made by individuals who are assisted under title I of the Workforce Investment Act of 1998.

''(b) TREATMENT OF INFORMATION.—For purposes of the exchange described in subsection (a)(1), the data described in subsection (a)(1)(B)(ii) shall not be considered return information (as defined in section 6103(b)(2) of the Internal Revenue Code of 1986) and, as appropriate, the confidentiality of all client information shall be maintained by the Rehabilitation Services Administration and the Social Security Administration.''.

SEC. 405. RESEARCH AND TRAINING.

Title II of the Rehabilitation Act of 1973 (29 U.S.C. 760 et seq.) is amended to read as follows:

''TITLE II—RESEARCH AND TRAINING

''DECLARATION OF PURPOSE

''SEC. 200. The purpose of this title is to—

''(1) provide for research, demonstration projects, training, and related activities to maximize the full inclusion and integration into society, employment, independent living, family support, and economic and social self-sufficiency of individuals with disabilities of all ages, with particular emphasis on improving the effectiveness of services authorized under this Act;

''(2) provide for a comprehensive and coordinated approach to the support and conduct of such research, demonstration projects, training, and related activities and to ensure that the approach is in accordance with the 5-year plan developed under section 202(h);

''(3) promote the transfer of rehabilitation technology to individuals with disabilities through research and demonstration projects relating to—

''(A) the procurement process for the purchase of rehabilitation technology;

''(B) the utilization of rehabilitation technology on a national basis;

''(C) specific adaptations or customizations of products to enable individuals with disabilities to live more independently; and

''(D) the development or transfer of assistive technology;

''(4) ensure the widespread distribution, in usable formats, of practical scientific and technological information—

''(A) generated by research, demonstration projects, training, and related activities; and

''(B) regarding state-of-the-art practices, improvements in the services authorized under this Act, rehabilitation technology, and new knowledge regarding disabilities,

to rehabilitation professionals, individuals with disabilities, and other interested parties, including the general public;

''(5) identify effective strategies that enhance the opportunities of individuals with disabilities to engage in employment, including employment involving telecommuting and self-employment; and

''(6) increase opportunities for researchers who are members of traditionally underserved populations, including researchers who are members of minority groups and researchers who are individuals with disabilities.

''AUTHORIZATION OF APPROPRIATIONS

''SEC. 201. (a) There are authorized to be appropriated—

''(1) for the purpose of providing for the expenses of the National Institute on Disability and Rehabilitation Research under section 202, which shall include the expenses of the Rehabilitation Research Advisory Council under section 205, and shall not include the expenses of such Institute to carry out section 204, such sums as may be necessary for each of fiscal years 1999 through 2003; and

''(2) to carry out section 204, such sums as may be necessary for each of fiscal years 1999 through 2003.

''(b) Funds appropriated under this title shall remain available until expended.

''NATIONAL INSTITUTE ON DISABILITY AND REHABILITATION RESEARCH

''SEC. 202. (a)(1) There is established within the Department of Education a National Institute on Disability and Rehabilitation Research (hereinafter in this title referred to as the 'Institute'), which shall be headed by a Director (hereinafter in this title referred to as the 'Director'), in order to—

''(A) promote, coordinate, and provide for—

''(i) research;

''(ii) demonstration projects and training; and

''(iii) related activities,

with respect to individuals with disabilities;

''(B) more effectively carry out activities through the programs under section 204 and activities under this section;

''(C) widely disseminate information from the activities described in subparagraphs (A) and (B); and

''(D) provide leadership in advancing the quality of life of individuals with disabilities.

''(2) In the performance of the functions of the office, the Director shall be directly responsible to the Secretary or to the same Under Secretary or Assistant Secretary of the Department of Education to whom the Commissioner is responsible under section 3(a).

''(b) The Director, through the Institute, shall be responsible for—

''(1) administering the programs described in section 204 and activities under this section;

''(2) widely disseminating findings, conclusions, and recommendations, resulting from research, demonstration projects, training, and related activities (referred to in this title as 'covered activities') funded by the Institute, to—

''(A) other Federal, State, tribal, and local public agencies;

''(B) private organizations engaged in research relating to rehabilitation or providing rehabilitation services;

''(C) rehabilitation practitioners; and

''(D) individuals with disabilities and the individuals' representatives;

''(3) coordinating, through the Interagency Committee established by section 203 of this Act, all Federal programs and policies relating to research in rehabilitation;

''(4) widely disseminating educational materials and research results, concerning ways to maximize the full inclusion and integration into society, employment, independent living, family support, and economic and social self-sufficiency of individuals with disabilities, to—

''(A) public and private entities, including—

''(i) elementary and secondary schools (as defined in section 14101 of the Elementary and Secondary Education Act of 1965; and

''(ii) institutions of higher education;

''(B) rehabilitation practitioners;

''(C) individuals with disabilities (especially such individuals who are members of minority groups or of populations that are unserved or underserved by programs under this Act); and

''(D) the individuals' representatives for the individuals described in subparagraph (C);

''(5)(A) conducting an education program to inform the public about ways of providing for the rehabilitation of individuals with disabilities, including information relating to—

''(i) family care;

''(ii) self-care; and

''(iii) assistive technology devices and assistive technology services; and

''(B) as part of the program, disseminating engineering information about assistive technology devices;

''(6) conducting conferences, seminars, and workshops (including in-service training programs and programs for individuals with disabilities) concerning advances in rehabilitation research and rehabilitation technology (including advances concerning the selection and use of assistive technology devices and assistive technology services), pertinent to the full inclusion and integration into society, employment, independent living, family support, and economic and social self-sufficiency of individuals with disabilities;

''(7) taking whatever action is necessary to keep the Congress fully and currently informed with respect to the implementation and conduct of programs and activities carried out under this title, including dissemination activities;

''(8) producing, in conjunction with the Department of Labor, the National Center for Health Statistics, the Bureau of the Census, the Health Care Financing Administration, the Social Security Administration, the Bureau of Indian Affairs, the Indian Health Service, and other Federal departments and agencies, as may be appropriate, statistical reports and studies on the employment, self-employment, telecommuting, health, income, and other demographic characteristics of individuals with disabilities, including information on individuals with disabilities who live in rural or inner-city settings, with particular attention given to underserved populations, and widely disseminating such reports and studies to rehabilitation professionals, individuals with disabilities, the individuals' representatives, and others to assist in the planning, assessment, and evaluation of vocational and other rehabilitation services for individuals with disabilities;

''(9) conducting research on consumer satisfaction with vocational rehabilitation services for the purpose of identifying effective rehabilitation programs and policies that promote the independence of individuals with disabilities and achievement of long-term vocational goals;

''(10) conducting research to examine the relationship between the provision of specific services and successful, sustained employment outcomes, including employment outcomes involving self-employment and telecommuting; and

''(11) coordinating activities with the Attorney General regarding the provision of information, training, or technical assistance regarding the Americans with Disabilities Act of 1990 (42 U.S.C. 12101 et seq.) to ensure consistency with the plan for technical assistance required under section 506 of such Act (42 U.S.C. 12206).

''(c)(1) The Director, acting through the Institute or 1 or more entities funded by the Institute, shall provide for the development and dissemination of models to address consumer-driven information needs related to assistive technology devices and assistive technology services.

''(2) The development and dissemination of models may include—

''(A) convening groups of individuals with disabilities, family members and advocates of such individuals, commercial producers of assistive technology, and entities funded by the Institute to develop, assess, and disseminate knowledge about information needs related to assistive technology;

''(B) identifying the types of information regarding assistive technology devices and assistive technology services that individuals with disabilities find especially useful;

''(C) evaluating current models, and developing new models, for transmitting the information described in subparagraph (B) to consumers and to commercial producers of assistive technology; and

''(D) disseminating through 1 or more entities funded by the Institute, the models described in subparagraph (C) and findings regarding the information described in subparagraph (B) to consumers and commercial producers of assistive technology.

''(d)(1) The Director of the Institute shall be appointed by the Secretary. The Director shall be an individual with substantial experience in rehabilitation and in research administration.

''(2) The Director, subject to the approval of the President, may appoint, for terms not to exceed three years, without regard to the provisions of title 5, United States Code, governing appointment in the competitive service, and may compensate, without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates, such technical and professional employees of the Institute as the Director determines to be necessary to accomplish the functions of the Institute and also appoint and compensate without regard to such provisions, in a number not to exceed one-fifth of the number of full-time, regular technical and professional employees of the Institute.

''(3) The Director may obtain the services of consultants, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service.

''(e) The Director, pursuant to regulations which the Secretary shall prescribe, may establish and maintain fellowships with such stipends and allowances, including travel and subsistence expenses provided for under title 5, United States Code, as the Director considers necessary to procure the assistance of highly qualified research fellows, including individuals with disabilities, from the United States and foreign countries.

''(f)(1) The Director shall provide for scientific peer review of all applications for financial assistance for research, training, and demonstration projects over which the Director has authority. The scientific peer review shall be conducted by individuals who are not Federal employees, who are scientists or other experts in the rehabilitation field (including the independent living field), including knowledgeable individuals with disabilities, and the individuals' representatives, and who are competent to review applications for the financial assistance.

''(2) In providing for such scientific peer review, the Secretary shall provide for training, as necessary and appropriate, to facilitate the effective participation of those individuals selected to participate in such review.

''(g) Not less than 90 percent of the funds appropriated under this title for any fiscal year shall be expended by the Director to carry out activities under this title through grants, contracts, or cooperative agreements. Up to 10 percent of the funds appropriated under this title for any fiscal year may be expended directly for the purpose of carrying out the functions of the Director under this section.

''(h)(1) The Director shall—

''(A) by October 1, 1998 and every fifth October 1 thereafter, prepare and publish in the Federal Register for public comment a draft of a 5-year plan that outlines priorities for rehabilitation research, demonstration projects, training, and related activities and explains the basis for such priorities;

''(B) by June 1, 1999, and every fifth June 1 thereafter, after considering public comments, submit the plan in final form to the appropriate committees of Congress;

''(C) at appropriate intervals, prepare and submit revisions in the plan to the appropriate committees of Congress; and

''(D) annually prepare and submit progress reports on the plan to the appropriate committees of Congress.

''(2) Such plan shall—

''(A) identify any covered activity that should be conducted under this section and section 204 respecting the full inclusion and integration into society of individuals with disabilities, especially in the area of employment;

''(B) determine the funding priorities for covered activities to be conducted under this section and section 204;

''(C) specify appropriate goals and timetables for covered activities to be conducted under this section and section 204;

''(D) be developed by the Director—

''(i) after consultation with the Rehabilitation Research Advisory Council established under section 205;

''(ii) in coordination with the Commissioner;

''(iii) after consultation with the National Council on Disability established under title IV, the Secretary of Education, officials responsible for the administration of the Developmental Disabilities Assistance and Bill of Rights Act (42 U.S.C. 6000 et seq.), and the Interagency Committee on Disability Research established under section 203; and

''(iv) after full consideration of the input of individuals with disabilities and the individuals' representatives, organizations representing individuals with disabilities, providers of services furnished under this Act, researchers in the rehabilitation field, and any other persons or entities the Director considers to be appropriate;

''(E) specify plans for widespread dissemination of the results of covered activities, in accessible formats, to rehabilitation practitioners, individuals with disabilities, and the individuals' representatives; and

''(F) specify plans for widespread dissemination of the results of covered activities that concern individuals with disabilities who are members of minority groups or of populations that

are unserved or underserved by programs carried out under this Act.

''(i) In order to promote cooperation among Federal departments and agencies conducting research programs, the Director shall consult with the administrators of such programs, and with the Interagency Committee established by section 203, regarding the design of research projects conducted by such entities and the results and applications of such research.

''(j)(1) The Director shall take appropriate actions to provide for a comprehensive and coordinated research program under this title. In providing such a program, the Director may undertake joint activities with other Federal entities engaged in research and with appropriate private entities. Any Federal entity proposing to establish any research project related to the purposes of this Act shall consult, through the Interagency Committee established by section 203, with the Director as Chairperson of such Committee and provide the Director with sufficient prior opportunity to comment on such project.

''(2) Any person responsible for administering any program of the National Institutes of Health, the Department of Veterans Affairs, the National Science Foundation, the National Aeronautics and Space Administration, the Office of Special Education and Rehabilitative Services, or of any other Federal entity, shall, through the Interagency Committee established by section 203, consult and cooperate with the Director in carrying out such program if the program is related to the purposes of this title.

''(3) The Director shall support, directly or by grant or contract, a center associated with an institution of higher education, for research and training concerning the delivery of vocational rehabilitation services to rural areas.

''(k) The Director shall make grants to institutions of higher education for the training of rehabilitation researchers, including individuals with disabilities, with particular attention to research areas that support the implementation and objectives of this Act and that improve the effectiveness of services authorized under this Act.

''INTERAGENCY COMMITTEE

''SEC. 203. (a)(1) In order to promote coordination and cooperation among Federal departments and agencies conducting rehabilitation research programs, there is established within the Federal Government an Interagency Committee on Disability Research (hereinafter in this section referred to as the 'Committee'), chaired by the Director and comprised of such members as the President may designate, including the following (or their designees): the Director, the Commissioner of the Rehabilitation Services Administration, the Assistant Secretary for Special Education and Rehabilitative Services, the Secretary of Education, the Secretary of Veterans Affairs, the Director of the National Institutes of Health, the Director of the National Institute of Mental Health, the Administrator of the National Aeronautics and Space Administration, the Secretary of Transportation, the Assistant Secretary of the Interior for Indian Affairs, the Director of the Indian Health Service, and the Director of the National Science Foundation.

''(2) The Committee shall meet not less than four times each year.

''(b) After receiving input from individuals with disabilities and the individuals' representatives, the Committee shall identify, assess, and seek to coordinate all Federal programs, activities, and projects, and plans for such programs, activities, and projects with respect to the conduct of research related to rehabilitation of individuals with disabilities.

''(c) The Committee shall annually submit to the President and to the appropriate committees of the Congress a report making such recommendations as the Committee deems appropriate with respect to coordination of policy and development of objectives and priorities for all Federal programs relating to the conduct of research related to rehabilitation of individuals with disabilities.

''RESEARCH AND OTHER COVERED ACTIVITIES

''SEC. 204. (a)(1) To the extent consistent with priorities established in the 5-year plan described in section 202(h), the Director may make grants to and contracts with States and public or private agencies and organizations, including institutions of higher education, Indian tribes, and tribal organizations, to pay part of the cost of projects for the purpose of planning and conducting research, demonstration projects, training, and related activities, the purposes of which are to develop methods, procedures, and rehabilitation technology, that maximize the full inclusion and integration into society, employment, independent living, family support, and economic and social self-sufficiency of individuals with disabilities, especially individuals with the most significant disabilities, and improve the effectiveness of services authorized under this Act.

''(2)(A) In carrying out this section, the Director shall emphasize projects that support the implementation of titles I, III, V, VI, and VII, including projects addressing the needs described in the State plans submitted under section 101 or 704 by State agencies.

''(B) Such projects, as described in the State plans submitted by State agencies, may include—

''(i) medical and other scientific, technical, methodological, and other investigations into the nature of disability, methods of analyzing it, and restorative techniques, including basic research where related to rehabilitation techniques or services;

''(ii) studies and analysis of industrial, vocational, social, recreational, psychiatric, psychological, economic, and other factors affecting rehabilitation of individuals with disabilities;

''(iii) studies and analysis of special problems of individuals who are homebound and individuals who are institutionalized;

''(iv) studies, analyses, and demonstrations of architectural and engineering design adapted to meet the special needs of individuals with disabilities;

''(v) studies, analyses, and other activities related to supported employment;

''(vi) related activities which hold promise of increasing knowledge and improving methods in the rehabilitation of individuals with disabilities and individuals with the most significant disabilities, particularly individuals with disabilities, and individuals with the most significant disabilities, who are members of populations that are unserved or underserved by programs under this Act; and

''(vii) studies, analyses, and other activities related to job accommodations, including the use of rehabilitation engineering and assistive technology.

''(b)(1) In addition to carrying out projects under subsection (a), the Director may make grants under this subsection (referred to in this subsection as 'research grants') to pay part or all of the cost of the research or other specialized covered activities described in paragraphs (2) through (18). A research grant made under any of paragraphs (2) through (18) may only be used in a manner consistent with priorities established in the 5-year plan described in section 202(h).

''(2)(A) Research grants may be used for the establishment and support of Rehabilitation Research and Training Centers, for the purpose of providing an integrated program of research, which Centers shall—

''(i) be operated in collaboration with institutions of higher education or providers of rehabilitation services or other appropriate services; and

''(ii) serve as centers of national excellence and national or regional resources for providers and individuals with disabilities and the individuals' representatives.

''(B) The Centers shall conduct research and training activities by—

''(i) conducting coordinated and advanced programs of research in rehabilitation targeted toward the production of new knowledge that will improve rehabilitation methodology and service delivery systems, alleviate or stabilize disabling conditions, and promote maximum social and economic independence of individuals with disabilities, especially promoting the ability of the individuals to prepare for, secure, retain, regain, or advance in employment;

''(ii) providing training (including graduate, pre-service, and in-service training) to assist individuals to more effectively provide rehabilitation services;

''(iii) providing training (including graduate, pre-service, and in-service training) for rehabilitation research personnel and other rehabilitation personnel; and

''(iv) serving as an informational and technical assistance resource to providers, individuals with disabilities, and the individuals' representatives, through conferences, workshops, public education programs, in-service training programs, and similar activities.

''(C) The research to be carried out at each such Center may include—

''(i) basic or applied medical rehabilitation research;

''(ii) research regarding the psychological and social aspects of rehabilitation, including disability policy;

''(iii) research related to vocational rehabilitation;

''(iv) continuation of research that promotes the emotional, social, educational, and functional growth of children who are individuals with disabilities;

''(v) continuation of research to develop and evaluate interventions, policies, and services that support families of those children and adults who are individuals with disabilities; and

''(vi) continuation of research that will improve services and policies that foster the productivity, independence, and social integration of individuals with disabilities, and enable individuals with disabilities, including individuals with mental retardation and other developmental disabilities, to live in their communities.

''(D) Training of students preparing to be rehabilitation personnel shall be an important priority for such a Center.

''(E) The Director shall make grants under this paragraph to establish and support both comprehensive centers dealing with multiple disabilities and centers primarily focused on particular disabilities.

''(F) Grants made under this paragraph may be used to provide funds for services rendered by such a Center to individuals with disabilities in connection with the research and training activities.

''(G) Grants made under this paragraph may be used to provide faculty support for teaching—

''(i) rehabilitation-related courses of study for credit; and

''(ii) other courses offered by the Centers, either directly or through another entity.

''(H) The research and training activities conducted by such a Center shall be conducted in a manner that is accessible to and usable by individuals with disabilities.

''(I) The Director shall encourage the Centers to develop practical applications for the findings of the research of the Centers.

''(J) In awarding grants under this paragraph, the Director shall take into consideration the location of any proposed Center and the appropriate geographic and regional allocation of such Centers.

''(K) To be eligible to receive a grant under this paragraph, each such institution or provider described in subparagraph (A) shall—

''(i) be of sufficient size, scope, and quality to effectively carry out the activities in an efficient

manner consistent with appropriate State and Federal law; and

''(ii) demonstrate the ability to carry out the training activities either directly or through another entity that can provide such training.

''(L) The Director shall make grants under this paragraph for periods of 5 years, except that the Director may make a grant for a period of less than 5 years if—

''(i) the grant is made to a new recipient; or

''(ii) the grant supports new or innovative research.

''(M) Grants made under this paragraph shall be made on a competitive basis. To be eligible to receive a grant under this paragraph, a prospective grant recipient shall submit an application to the Director at such time, in such manner, and containing such information as the Director may require.

''(N) In conducting scientific peer review under section 202(f) of an application for the renewal of a grant made under this paragraph, the peer review panel shall take into account the past performance of the applicant in carrying out the grant and input from individuals with disabilities and the individuals' representatives.

''(O) An institution or provider that receives a grant under this paragraph to establish such a Center may not collect more than 15 percent of the amount of the grant received by the Center in indirect cost charges.

''(3)(A) Research grants may be used for the establishment and support of Rehabilitation Engineering Research Centers, operated by or in collaboration with institutions of higher education or nonprofit organizations, to conduct research or demonstration activities, and training activities, regarding rehabilitation technology, including rehabilitation engineering, assistive technology devices, and assistive technology services, for the purposes of enhancing opportunities for better meeting the needs of, and addressing the barriers confronted by, individuals with disabilities in all aspects of their lives.

''(B) In order to carry out the purposes set forth in subparagraph (A), such a Center shall carry out the research or demonstration activities by—

''(i) developing and disseminating innovative methods of applying advanced technology, scientific achievement, and psychological and social knowledge to—

''(I) solve rehabilitation problems and remove environmental barriers through planning and conducting research, including cooperative research with public or private agencies and organizations, designed to produce new scientific knowledge, and new or improved methods, equipment, and devices; and

''(II) study new or emerging technologies, products, or environments, and the effectiveness and benefits of such technologies, products, or environments;

''(ii) demonstrating and disseminating—

''(I) innovative models for the delivery, to rural and urban areas, of cost-effective rehabilitation technology services that promote utilization of assistive technology devices; and

''(II) other scientific research to assist in meeting the employment and independent living needs of individuals with significant disabilities; or

''(iii) conducting research or demonstration activities that facilitate service delivery systems change by demonstrating, evaluating, documenting, and disseminating—

''(I) consumer responsive and individual and family-centered innovative models for the delivery to both rural and urban areas, of innovative cost-effective rehabilitation technology services that promote utilization of rehabilitation technology; and

''(II) other scientific research to assist in meeting the employment and independent living needs of, and addressing the barriers confronted by, individuals with disabilities, including individuals with significant disabilities.

''(C) To the extent consistent with the nature and type of research or demonstration activities described in subparagraph (B), each Center established or supported through a grant made available under this paragraph shall—

''(i) cooperate with programs established under the Technology-Related Assistance for Individuals With Disabilities Act of 1988 (29 U.S.C. 2201 et seq.) and other regional and local programs to provide information to individuals with disabilities and the individuals' representatives to—

''(I) increase awareness and understanding of how rehabilitation technology can address their needs; and

''(II) increase awareness and understanding of the range of options, programs, services, and resources available, including financing options for the technology and services covered by the area of focus of the Center;

''(ii) provide training opportunities to individuals, including individuals with disabilities, to become researchers of rehabilitation technology and practitioners of rehabilitation technology in conjunction with institutions of higher education and nonprofit organizations; and

''(iii) respond, through research or demonstration activities, to the needs of individuals with all types of disabilities who may benefit from the application of technology within the area of focus of the Center.

''(D)(i) In establishing Centers to conduct the research or demonstration activities described in subparagraph (B)(iii), the Director may establish one Center in each of the following areas of focus:

''(I) Early childhood services, including early intervention and family support.

''(II) Education at the elementary and secondary levels, including transition from school to postschool activities.

''(III) Employment, including supported employment, and reasonable accommodations and the reduction of environmental barriers as required by the Americans with Disabilities Act of 1990 (42 U.S.C. 12101 et seq.) and title V.

''(IV) Independent living, including transition from institutional to community living, maintenance of community living on leaving the work force, self-help skills, and activities of daily living.

''(ii) Each Center conducting the research or demonstration activities described in subparagraph (B)(iii) shall have an advisory committee, of which the majority of members are individuals with disabilities who are users of rehabilitation technology, and the individuals' representatives.

''(E) Grants made under this paragraph shall be made on a competitive basis and shall be for a period of 5 years, except that the Director may make a grant for a period of less than 5 years if—

''(i) the grant is made to a new recipient; or

''(ii) the grant supports new or innovative research.

''(F) To be eligible to receive a grant under this paragraph, a prospective grant recipient shall submit an application to the Director at such time, in such manner, and containing such information as the Director may require.

''(G) Each Center established or supported through a grant made available under this paragraph shall—

''(i) cooperate with State agencies and other local, State, regional, and national programs and organizations developing or delivering rehabilitation technology, including State programs funded under the Technology-Related Assistance for Individuals With Disabilities Act of 1988 (29 U.S.C. 2201 et seq.); and

''(ii) prepare and submit to the Director as part of an application for continuation of a grant, or as a final report, a report that documents the outcomes of the program of the Center in terms of both short- and long-term impact on the lives of individuals with disabilities, and such other information as may be requested by the Director.

''(4)(A) Research grants may be used to conduct a program for spinal cord injury research, including conducting such a program by making grants to public or private agencies and organizations to pay part or all of the costs of special projects and demonstration projects for spinal cord injuries, that will—

''(i) ensure widespread dissemination of research findings among all Spinal Cord Injury Centers, to rehabilitation practitioners, individuals with spinal cord injury, the individuals' representatives, and organizations receiving financial assistance under this paragraph;

''(ii) provide encouragement and support for initiatives and new approaches by individual and institutional investigators; and

''(iii) establish and maintain close working relationships with other governmental and voluntary institutions and organizations engaged in similar efforts in order to unify and coordinate scientific efforts, encourage joint planning, and promote the interchange of data and reports among spinal cord injury investigations.

''(B) Any agency or organization carrying out a project or demonstration project assisted by a grant under this paragraph that provides services to individuals with spinal cord injuries shall—

''(i) establish, on an appropriate regional basis, a multidisciplinary system of providing vocational and other rehabilitation services, specifically designed to meet the special needs of individuals with spinal cord injuries, including acute care as well as periodic inpatient or outpatient followup and services;

''(ii) demonstrate and evaluate the benefits to individuals with spinal cord injuries served in, and the degree of cost-effectiveness of, such a regional system;

''(iii) demonstrate and evaluate existing, new, and improved methods and rehabilitation technology essential to the care, management, and rehabilitation of individuals with spinal cord injuries; and

''(iv) demonstrate and evaluate methods of community outreach for individuals with spinal cord injuries and community education in connection with the problems of such individuals in areas such as housing, transportation, recreation, employment, and community activities.

''(C) In awarding grants under this paragraph, the Director shall take into account the location of any proposed Spinal Cord Injury Center and the appropriate geographic and regional allocation of such Centers.

''(5) Research grants may be used to conduct a program for end-stage renal disease research, to include support of projects and demonstrations for providing special services (including transplantation and dialysis), artificial kidneys, and supplies necessary for the rehabilitation of individuals with such disease and which will—

''(A) ensure dissemination of research findings;

''(B) provide encouragement and support for initiatives and new approaches by individuals and institutional investigators; and

''(C) establish and maintain close working relationships with other governmental and voluntary institutions and organizations engaged in similar efforts,

in order to unify and coordinate scientific efforts, encourage joint planning, and promote the interchange of data and reports among investigators in the field of end-stage renal disease. No person shall be selected to participate in such program who is eligible for services for such disease under any other provision of law.

''(6) Research grants may be used to conduct a program for international rehabilitation research, demonstration, and training for the purpose of developing new knowledge and methods in the rehabilitation of individuals with disabilities in the United States, cooperating with and assisting in developing and sharing information found useful in other nations in the rehabilitation of individuals with disabilities, and initiating a program to exchange experts and technical

assistance in the field of rehabilitation of individuals with disabilities with other nations as a means of increasing the levels of skill of rehabilitation personnel.

''(7) Research grants may be used to conduct a research program concerning the use of existing telecommunications systems (including telephone, television, satellite, radio, and other similar systems) which have the potential for substantially improving service delivery methods, and the development of appropriate programming to meet the particular needs of individuals with disabilities.

''(8) Research grants may be used to conduct a program of joint projects with the National Institutes of Health, the National Institute of Mental Health, the Health Services Administration, the Administration on Aging, the National Science Foundation, the Veterans' Administration, the Department of Health and Human Services, the National Aeronautics and Space Administration, other Federal agencies, and private industry in areas of joint interest involving rehabilitation.

''(9) Research grants may be used to conduct a program of research related to the rehabilitation of children, or older individuals, who are individuals with disabilities, including older American Indians who are individuals with disabilities. Such research program may include projects designed to assist the adjustment of, or maintain as residents in the community, older workers who are individuals with disabilities on leaving the work force.

''(10) Research grants may be used to conduct a research program to develop and demonstrate innovative methods to attract and retain professionals to serve in rural areas in the rehabilitation of individuals with disabilities, including individuals with significant disabilities.

''(11) Research grants may be used to conduct a model research and demonstration project designed to assess the feasibility of establishing a center for producing and distributing to individuals who are deaf or hard of hearing captioned video cassettes providing a broad range of educational, cultural, scientific, and vocational programming.

''(12) Research grants may be used to conduct a model research and demonstration program to develop innovative methods of providing services for preschool age children who are individuals with disabilities, including—

''(A) early intervention, assessment, parent counseling, infant stimulation, early identification, diagnosis, and evaluation of children who are individuals with significant disabilities up to the age of five, with a special emphasis on children who are individuals with significant disabilities up to the age of three;

''(B) such physical therapy, language development, pediatric, nursing, psychological, and psychiatric services as are necessary for such children; and

''(C) appropriate services for the parents of such children, including psychological and psychiatric services, parent counseling, and training.

''(13) Research grants may be used to conduct a model research and training program under which model training centers shall be established to develop and use more advanced and effective methods of evaluating and addressing the employment needs of individuals with disabilities, including programs that—

''(A) provide training and continuing education for personnel involved with the employment of individuals with disabilities;

''(B) develop model procedures for testing and evaluating the employment needs of individuals with disabilities;

''(C) develop model training programs to teach individuals with disabilities skills which will lead to appropriate employment;

''(D) develop new approaches for job placement of individuals with disabilities, including new followup procedures relating to such placement;

''(E) provide information services regarding education, training, employment, and job placement for individuals with disabilities; and

''(F) develop new approaches and provide information regarding job accommodations, including the use of rehabilitation engineering and assistive technology.

''(14) Research grants may be used to conduct a rehabilitation research program under which financial assistance is provided in order to—

''(A) test new concepts and innovative ideas;

''(B) demonstrate research results of high potential benefits;

''(C) purchase prototype aids and devices for evaluation;

''(D) develop unique rehabilitation training curricula; and

''(E) be responsive to special initiatives of the Director.

No single grant under this paragraph may exceed $50,000 in any fiscal year and all payments made under this paragraph in any fiscal year may not exceed 5 percent of the amount available for this section to the National Institute on Disability and Rehabilitation Research in any fiscal year. Regulations and administrative procedures with respect to financial assistance under this paragraph shall, to the maximum extent possible, be expedited.

''(15) Research grants may be used to conduct studies of the rehabilitation needs of American Indian populations and of effective mechanisms for the delivery of rehabilitation services to Indians residing on and off reservations.

''(16) Research grants may be used to conduct a demonstration program under which one or more projects national in scope shall be established to develop procedures to provide incentives for the development, manufacturing, and marketing of orphan technological devices, including technology transfer concerning such devices, designed to enable individuals with disabilities to achieve independence and access to gainful employment.

''(17)(A) Research grants may be used to conduct a research program related to quality assurance in the area of rehabilitation technology.

''(B) Activities carried out under the research program may include—

''(i) the development of methodologies to evaluate rehabilitation technology products and services and the dissemination of the methodologies to consumers and other interested parties;

''(ii) identification of models for service provider training and evaluation and certification of the effectiveness of the models;

''(iii) identification and dissemination of outcome measurement models for the assessment of rehabilitation technology products and services; and

''(iv) development and testing of research-based tools to enhance consumer decisionmaking about rehabilitation technology products and services.

''(18) Research grants may be used to provide for research and demonstration projects and related activities that explore the use and effectiveness of specific alternative or complementary medical practices for individuals with disabilities. Such projects and activities may include projects and activities designed to—

''(A) determine the use of specific alternative or complementary medical practices among individuals with disabilities and the perceived effectiveness of the practices;

''(B) determine the specific information sources, decisionmaking methods, and methods of payment used by individuals with disabilities who access alternative or complementary medical services;

''(C) develop criteria to screen and assess the validity of research studies of such practices for individuals with disabilities; and

''(D) determine the effectiveness of specific alternative or complementary medical practices that show promise for promoting increased functioning, prevention of secondary disabilities, or other positive outcomes for individuals with certain types of disabilities, by conducting controlled research studies.

''(c)(1) In carrying out evaluations of covered activities under this section, the Director is authorized to make arrangements for site visits to obtain information on the accomplishments of the projects.

''(2) The Director shall not make a grant under this section that exceeds $500,000 unless the peer review of the grant application has included a site visit.

''REHABILITATION RESEARCH ADVISORY COUNCIL

''SEC. 205. (a) ESTABLISHMENT.—Subject to the availability of appropriations, the Secretary shall establish in the Department of Education a Rehabilitation Research Advisory Council (referred to in this section as the 'Council') composed of 12 members appointed by the Secretary.

''(b) DUTIES.—The Council shall advise the Director with respect to research priorities and the development and revision of the 5-year plan required by section 202(h).

''(c) QUALIFICATIONS.—Members of the Council shall be generally representative of the community of rehabilitation professionals, the community of rehabilitation researchers, the community of individuals with disabilities, and the individuals' representatives. At least one-half of the members shall be individuals with disabilities or the individuals' representatives.

''(d) TERMS OF APPOINTMENT.—

''(1) LENGTH OF TERM.—Each member of the Council shall serve for a term of up to 3 years, determined by the Secretary, except that—

''(A) a member appointed to fill a vacancy occurring prior to the expiration of the term for which a predecessor was appointed, shall be appointed for the remainder of such term; and

''(B) the terms of service of the members initially appointed shall be (as specified by the Secretary) for such fewer number of years as will provide for the expiration of terms on a staggered basis.

''(2) NUMBER OF TERMS.—No member of the Council may serve more than two consecutive full terms. Members may serve after the expiration of their terms until their successors have taken office.

''(e) VACANCIES.—Any vacancy occurring in the membership of the Council shall be filled in the same manner as the original appointment for the position being vacated. The vacancy shall not affect the power of the remaining members to execute the duties of the Council.

''(f) PAYMENT AND EXPENSES.—

''(1) PAYMENT.—Each member of the Council who is not an officer or full-time employee of the Federal Government shall receive a payment of $150 for each day (including travel time) during which the member is engaged in the performance of duties for the Council. All members of the Council who are officers or full-time employees of the United States shall serve without compensation in addition to compensation received for their services as officers or employees of the United States.

''(2) TRAVEL EXPENSES.—Each member of the Council may receive travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code, for employees serving intermittently in the Government service, for each day the member is engaged in the performance of duties away from the home or regular place of business of the member.

''(g) DETAIL OF FEDERAL EMPLOYEES.—On the request of the Council, the Secretary may detail, with or without reimbursement, any of the personnel of the Department of Education to the Council to assist the Council in carrying out its duties. Any detail shall not interrupt or otherwise affect the civil service status or privileges of the Federal employee.

''(h) TECHNICAL ASSISTANCE.—On the request of the Council, the Secretary shall provide such technical assistance to the Council as the Council determines to be necessary to carry out its duties.

''(i) TERMINATION.—Section 14 of the Federal Advisory Committee Act (5 U.S.C. App.) shall not apply with respect to the Council.''.

SEC. 406. PROFESSIONAL DEVELOPMENT AND SPECIAL PROJECTS AND DEMONSTRATIONS.

Title III of the Rehabilitation Act of 1973 (29 U.S.C. 770 et seq.) is amended to read as follows:

''TITLE III—PROFESSIONAL DEVELOPMENT AND SPECIAL PROJECTS AND DEMONSTRATIONS

''SEC. 301. DECLARATION OF PURPOSE AND COMPETITIVE BASIS OF GRANTS AND CONTRACTS.

''(a) PURPOSE.—It is the purpose of this title to authorize grants and contracts to—

''(1)(A) provide academic training to ensure that skilled personnel are available to provide rehabilitation services to individuals with disabilities through vocational, medical, social, and psychological rehabilitation programs (including supported employment programs), through economic and business development programs, through independent living services programs, and through client assistance programs; and

''(B) provide training to maintain and upgrade basic skills and knowledge of personnel (including personnel specifically trained to deliver services to individuals with disabilities whose employment outcome is self-employment or telecommuting) employed to provide state-of-the-art service delivery and rehabilitation technology services;

''(2) conduct special projects and demonstrations that expand and improve the provision of rehabilitation and other services (including those services provided through community rehabilitation programs) authorized under this Act, or that otherwise further the purposes of this Act, including related research and evaluation;

''(3) provide vocational rehabilitation services to individuals with disabilities who are migrant or seasonal farmworkers;

''(4) initiate recreational programs to provide recreational activities and related experiences for individuals with disabilities to aid such individuals in employment, mobility, socialization, independence, and community integration; and

''(5) provide training and information to individuals with disabilities and the individuals' representatives, and other appropriate parties to develop the skills necessary for individuals with disabilities to gain access to the rehabilitation system and statewide workforce investment systems and to become active decisionmakers in the rehabilitation process.

''(b) COMPETITIVE BASIS OF GRANTS AND CONTRACTS.—The Secretary shall ensure that all grants and contracts are awarded under this title on a competitive basis.

''SEC. 302. TRAINING.

''(a) GRANTS AND CONTRACTS FOR PERSONNEL TRAINING.—

''(1) AUTHORITY.—The Commissioner shall make grants to, and enter into contracts with, States and public or nonprofit agencies and organizations (including institutions of higher education) to pay part of the cost of projects to provide training, traineeships, and related activities, including the provision of technical assistance, that are designed to assist in increasing the numbers of, and upgrading the skills of, qualified personnel (especially rehabilitation counselors) who are trained in providing vocational, medical, social, and psychological rehabilitation services, who are trained to assist individuals with communication and related disorders, who are trained to provide other services provided under this Act, to individuals with disabilities, and who may include—

''(A) personnel specifically trained in providing employment assistance to individuals with disabilities through job development and job placement services;

''(B) personnel specifically trained to identify, assess, and meet the individual rehabilitation needs of individuals with disabilities, including needs for rehabilitation technology;

''(C) personnel specifically trained to deliver services to individuals who may benefit from receiving independent living services;

''(D) personnel specifically trained to deliver services in the client assistance programs;

''(E) personnel specifically trained to deliver services, through supported employment programs, to individuals with a most significant disability; and

''(F) personnel specifically trained to deliver services to individuals with disabilities pursuing self-employment, business ownership, and telecommuting; and

''(G) personnel trained in performing other functions necessary to the provision of vocational, medical, social, and psychological rehabilitation services, and other services provided under this Act.

''(2) AUTHORITY TO PROVIDE SCHOLARSHIPS.—Grants and contracts under paragraph (1) may be expended for scholarships and may include necessary stipends and allowances.

''(3) RELATED FEDERAL STATUTES.—In carrying out this subsection, the Commissioner may make grants to and enter into contracts with States and public or nonprofit agencies and organizations, including institutions of higher education, to furnish training regarding provisions of Federal statutes, including section 504, title I of the Americans with Disabilities Act of 1990 (42 U.S.C. 12111 et seq.), and the provisions of titles II and XVI of the Social Security Act (42 U.S.C. 401 et seq. and 1381 et seq.), that are related to work incentives for individuals with disabilities.

''(4) TRAINING FOR STATEWIDE WORKFORCE SYSTEMS PERSONNEL.—The Commissioner may make grants to and enter into contracts under this subsection with States and public or nonprofit agencies and organizations, including institutions of higher education, to furnish training to personnel providing services to individuals with disabilities under title I of the Workforce Investment Act of 1998. Under this paragraph, personnel may be trained—

''(A) in evaluative skills to determine whether an individual with a disability may be served by the State vocational rehabilitation program or another component of a statewide workforce investment system; or

''(B) to assist individuals with disabilities seeking assistance through one-stop delivery systems described in section 134(c) of the Workforce Investment Act of 1998.

''(5) JOINT FUNDING.—Training and other activities provided under paragraph (4) for personnel may be jointly funded with the Department of Labor, using funds made available under title I of the Workforce Investment Act of 1998.

''(b) GRANTS AND CONTRACTS FOR ACADEMIC DEGREES AND ACADEMIC CERTIFICATE GRANTING TRAINING PROJECTS.—

''(1) AUTHORITY.—

''(A) IN GENERAL.—The Commissioner may make grants to, and enter into contracts with, States and public or nonprofit agencies and organizations (including institutions of higher education) to pay part of the costs of academic training projects to provide training that leads to an academic degree or academic certificate. In making such grants or entering into such contracts, the Commissioner shall target funds to areas determined under subsection (e) to have shortages of qualified personnel.

''(B) TYPES OF PROJECTS.—Academic training projects described in this subsection may include—

''(i) projects to train personnel in the areas of assisting and supporting individuals with disabilities pursuing self-employment, business ownership, and telecommuting, and of vocational rehabilitation counseling, rehabilitation technology, rehabilitation medicine, rehabilitation nursing, rehabilitation social work, rehabilitation psychiatry, rehabilitation psychology, rehabilitation dentistry, physical therapy, occupational therapy, speech pathology and audiology, physical education, therapeutic recreation, community rehabilitation programs, or prosthetics and orthotics;

''(ii) projects to train personnel to provide—

''(I) services to individuals with specific disabilities or individuals with disabilities who have specific impediments to rehabilitation, including individuals who are members of populations that are unserved or underserved by programs under this Act;

''(II) job development and job placement services to individuals with disabilities;

''(III) supported employment services, including services of employment specialists for individuals with disabilities;

''(IV) specialized services for individuals with significant disabilities; or

''(V) recreation for individuals with disabilities;

''(iii) projects to train personnel in other fields contributing to the rehabilitation of individuals with disabilities; and

''(iv) projects to train personnel in the use, applications, and benefits of rehabilitation technology.

''(2) APPLICATION.—No grant shall be awarded or contract entered into under this subsection unless the applicant has submitted to the Commissioner an application at such time, in such form, in accordance with such procedures, and including such information as the Secretary may require, including—

''(A) a description of how the designated State unit or units will participate in the project to be funded under the grant or contract, including, as appropriate, participation on advisory committees, as practicum sites, in curriculum development, and in other ways so as to build closer relationships between the applicant and the designated State unit and to encourage students to pursue careers in public vocational rehabilitation programs;

''(B) the identification of potential employers that provide employment that meets the requirements of paragraph (5)(A)(i); and

''(C) an assurance that data on the employment of graduates or trainees who participate in the project is accurate.

''(3) LIMITATION.—

''(A) IN GENERAL.—Except as provided in subparagraph (B), no grant or contract under this subsection may be used to provide any one course of study to an individual for a period of more than 4 years.

''(B) EXCEPTION.—If a grant or contract recipient under this subsection determines that an individual has a disability which seriously affects the completion of training under this subsection, the grant or contract recipient may extend the period referred to in subparagraph (A).

''(4) AUTHORITY TO PROVIDE SCHOLARSHIPS.—Grants and contracts under paragraph (1) may be expanded to provide services that include the provision of scholarships and necessary stipends and allowances.

''(5) AGREEMENTS.—

''(A) CONTENTS.—A recipient of a grant or contract under this subsection shall provide assurances to the Commissioner that each individual who receives a scholarship, for any academic year beginning after June 1, 1992, utilizing funds provided under such grant or contract shall enter into an agreement with the recipient under which the individual shall—

''(i) maintain employment—

''(I) in a nonprofit rehabilitation agency or related agency or in a State rehabilitation agency or related agency, including a professional corporation or professional practice group through which the individual has a service arrangement with the designated State agency;

''(II) on a full- or part-time basis; and

''(III) for a period of not less than the full-time equivalent of 2 years for each year for which assistance under this section was received by the individual,

within a period, beginning after the recipient completes the training for which the scholarship

was awarded, of not more than the sum of the number of years in the period described in subclause (III) and 2 additional years; and

''(ii) repay all or part of any scholarship received, plus interest, if the individual does not fulfill the requirements of clause (i),

except as the Commissioner by regulation may provide for repayment exceptions and deferrals.

''(B) ENFORCEMENT.—The Commissioner shall be responsible for the enforcement of each agreement entered into under subparagraph (A) upon completion of the training involved under such subparagraph.

''(c) GRANTS TO HISTORICALLY BLACK COLLEGES AND UNIVERSITIES.—The Commissioner, in carrying out this section, shall make grants to historically Black colleges and universities and other institutions of higher education whose minority student enrollment is at least 50 percent of the total enrollment of the institution.

''(d) APPLICATION.—A grant may not be awarded to a State or other organization under this section unless the State or organization has submitted an application to the Commissioner at such time, in such form, in accordance with such procedures, and containing such information as the Commissioner may require. Any such application shall include a detailed description of strategies that will be utilized to recruit and train individuals so as to reflect the diverse populations of the United States as part of the effort to increase the number of individuals with disabilities, and individuals who are from linguistically and culturally diverse backgrounds, who are available to provide rehabilitation services.

''(e) EVALUATION AND COLLECTION OF DATA.—The Commissioner shall evaluate the impact of the training programs conducted under this section, and collect information on the training needs of, and data on shortages of qualified personnel necessary to provide services to individuals with disabilities. The Commissioner shall prepare and submit to Congress, by September 30 of each fiscal year, a report setting forth and justifying in detail how the funds made available for training under this section for the fiscal year prior to such submission are allocated by professional discipline and other program areas. The report shall also contain findings on such personnel shortages, how funds proposed for the succeeding fiscal year will be allocated under the President's budget proposal, and how the findings on personnel shortages justify the allocations.

''(f) GRANTS FOR THE TRAINING OF INTERPRETERS.—

''(1) AUTHORITY.—

''(A) IN GENERAL.—For the purpose of training a sufficient number of qualified interpreters to meet the communications needs of individuals who are deaf or hard of hearing, and individuals who are deaf-blind, the Commissioner, acting through a Federal office responsible for deafness and communicative disorders, may award grants to public or private nonprofit agencies or organizations to pay part of the costs—

''(i) for the establishment of interpreter training programs; or

''(ii) to enable such agencies or organizations to provide financial assistance for ongoing interpreter training programs.

''(B) GEOGRAPHIC AREAS.—The Commissioner shall award grants under this subsection for programs in geographic areas throughout the United States that the Commissioner considers appropriate to best carry out the objectives of this section.

''(C) PRIORITY.—In awarding grants under this subsection, the Commissioner shall give priority to public or private nonprofit agencies or organizations with existing programs that have a demonstrated capacity for providing interpreter training services.

''(D) FUNDING.—The Commissioner may award grants under this subsection through the use of—

''(i) amounts appropriated to carry out this section; or

''(ii) pursuant to an agreement with the Director of the Office of the Special Education Program (established under section 603 of the Individuals with Disabilities Education Act (as amended by section 101 of the Individuals with Disabilities Education Act Amendments of 1997 (Public Law 105–17))), amounts appropriated under section 686 of the Individuals with Disabilities Education Act.

''(2) APPLICATION.—A grant may not be awarded to an agency or organization under paragraph (1) unless the agency or organization has submitted an application to the Commissioner at such time, in such form, in accordance with such procedures, and containing such information as the Commissioner may require, including—

''(A) a description of the manner in which an interpreter training program will be developed and operated during the 5-year period following the date on which a grant is received by the applicant under this subsection;

''(B) a demonstration of the applicant's capacity or potential for providing training for interpreters for individuals who are deaf or hard of hearing, and individuals who are deaf-blind;

''(C) assurances that any interpreter trained or retrained under a program funded under the grant will meet such minimum standards of competency as the Commissioner may establish for purposes of this subsection; and

''(D) such other information as the Commissioner may require.

''(g) TECHNICAL ASSISTANCE AND IN-SERVICE TRAINING.—

''(1) TECHNICAL ASSISTANCE.—The Commissioner is authorized to provide technical assistance to State designated agencies and community rehabilitation programs, directly or through contracts with State designated agencies or nonprofit organizations.

''(2) COMPENSATION.—An expert or consultant appointed or serving under contract pursuant to this section shall be compensated at a rate, subject to approval of the Commissioner, that shall not exceed the daily equivalent of the rate of pay for level 4 of the Senior Executive Service Schedule under section 5382 of title 5, United States Code. Such an expert or consultant may be allowed travel and transportation expenses in accordance with section 5703 of title 5, United States Code.

''(3) IN-SERVICE TRAINING OF REHABILITATION PERSONNEL.—

''(A) PROJECTS.—Subject to subparagraph (B), at least 15 percent of the sums appropriated to carry out this section shall be allocated to designated State agencies to be used, directly or indirectly, for projects for in-service training for rehabilitation personnel, consistent with the needs identified through the comprehensive system for personnel development required by section 101(a)(7), including projects designed—

''(i) to address recruitment and retention of qualified rehabilitation professionals;

''(ii) to provide for succession planning;

''(iii) to provide for leadership development and capacity building; and

''(iv) for fiscal years 1999 and 2000, to provide training regarding the Workforce Investment Act of 1998 and the amendments to this Act made by the Rehabilitation Act Amendments of 1998.

''(B) LIMITATION.—If the allocation to designated State agencies required by subparagraph (A) would result in a lower level of funding for projects being carried out on the date of enactment of the Rehabilitation Act Amendments of 1998 by other recipients of funds under this section, the Commissioner may allocate less than 15 percent of the sums described in subparagraph (A) to designated State agencies for such in-service training.

''(h) PROVISION OF INFORMATION.—The Commissioner, subject to the provisions of section 306, may require that recipients of grants or contracts under this section provide information, including data, with regard to the impact of activities funded under this section.

''(i) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section such sums as may be necessary for each of the fiscal years 1999 through 2003.

''SEC. 303. DEMONSTRATION AND TRAINING PROGRAMS.

''(a) DEMONSTRATION PROJECTS TO INCREASE CLIENT CHOICE.—

''(1) GRANTS.—The Commissioner may make grants to States and public or nonprofit agencies and organizations to pay all or part of the costs of projects to demonstrate ways to increase client choice in the rehabilitation process, including the selection of providers of vocational rehabilitation services.

''(2) USE OF FUNDS.—An entity that receives a grant under this subsection shall use the grant only—

''(A) for activities that are directly related to planning, operating, and evaluating the demonstration projects; and

''(B) to supplement, and not supplant, funds made available from Federal and non-Federal sources for such projects.

''(3) APPLICATION.—Any eligible entity that desires to receive a grant under this subsection shall submit an application at such time, in such manner, and containing such information and assurances as the Commissioner may require, including—

''(A) a description of—

''(i) how the entity intends to promote increased client choice in the rehabilitation process, including a description, if appropriate, of how an applicant will determine the cost of any service or product offered to an eligible client;

''(ii) how the entity intends to ensure that any vocational rehabilitation service or related service is provided by a qualified provider who is accredited or meets such other quality assurance and cost-control criteria as the State may establish; and

''(iii) the outreach activities to be conducted by the applicant to obtain eligible clients; and

''(B) assurances that a written plan will be established with the full participation of the client, which plan shall, at a minimum, include—

''(i) a statement of the vocational rehabilitation goals to be achieved;

''(ii) a statement of the specific vocational rehabilitation services to be provided, the projected dates for their initiation, and the anticipated duration of each such service; and

''(iii) objective criteria, an evaluation procedure, and a schedule, for determining whether such goals are being achieved.

''(4) AWARD OF GRANTS.—In selecting entities to receive grants under paragraph (1), the Commissioner shall take into consideration—

''(A) the diversity of strategies used to increase client choice, including selection among qualified service providers;

''(B) the geographic distribution of projects; and

''(C) the diversity of clients to be served.

''(5) RECORDS.—Entities that receive grants under paragraph (1) shall maintain such records as the Commissioner may require and comply with any request from the Commissioner for such records.

''(6) DIRECT SERVICES.—At least 80 percent of the funds awarded for any project under this subsection shall be used for direct services, as specifically chosen by eligible clients.

''(7) EVALUATION.—The Commissioner may conduct an evaluation of the demonstration projects with respect to the services provided, clients served, client outcomes obtained, implementation issues addressed, the cost-effectiveness of the project, and the effects of increased choice on clients and service providers. The Commissioner may reserve funds for the evaluation for a fiscal year from the amounts appropriated to carry out projects under this section for the fiscal year.

''(8) DEFINITIONS.—For the purposes of this subsection:

''(A) DIRECT SERVICES.—The term 'direct services' means vocational rehabilitation services, as described in section 103(a).

''(B) ELIGIBLE CLIENT.—The term 'eligible client' means an individual with a disability, as defined in section 7(20)(A), who is not currently receiving services under an individualized plan for employment established through a designated State unit.

''(b) SPECIAL DEMONSTRATION PROGRAMS.—

''(1) GRANTS; CONTRACTS.—The Commissioner, subject to the provisions of section 306, may provide grants to, or enter into contracts with, eligible entities to pay all or part of the cost of programs that expand and improve the provision of rehabilitation and other services authorized under this Act or that further the purposes of the Act, including related research and evaluation activities.

''(2) ELIGIBLE ENTITIES; TERMS AND CONDITIONS.—

''(A) ELIGIBLE ENTITIES.—To be eligible to receive a grant, or enter into a contract, under paragraph (1), an entity shall be a State vocational rehabilitation agency, community rehabilitation program, Indian tribe or tribal organization, or other public or nonprofit agency or organization, or as the Commissioner determines appropriate, a for-profit organization. The Commissioner may limit competitions to 1 or more types of organizations described in this subparagraph.

''(B) TERMS AND CONDITIONS.—A grant or contract under paragraph (1) shall contain such terms and conditions as the Commissioner may require.

''(3) APPLICATION.—An eligible entity that desires to receive a grant, or enter into a contract, under paragraph (1) shall submit an application to the Secretary at such time, in such form, and containing such information and assurances as the Commissioner may require, including, if the Commissioner determines appropriate, a description of how the proposed project or demonstration program—

''(A) is based on current research findings, which may include research conducted by the National Institute on Disability and Rehabilitation Research, the National Institutes of Health, and other public or private organizations; and

''(B) is of national significance.

''(4) TYPES OF PROJECTS.—The programs that may be funded under this subsection may include—

''(A) special projects and demonstrations of service delivery;

''(B) model demonstration projects;

''(C) technical assistance projects;

''(D) systems change projects;

''(E) special studies and evaluations; and

''(F) dissemination and utilization activities.

''(5) PRIORITY FOR COMPETITIONS.—

''(A) IN GENERAL.—In announcing competitions for grants and contracts under this subsection, the Commissioner shall give priority consideration to—

''(i) special projects and demonstration programs of service delivery for adults who are either low-functioning and deaf or low-functioning and hard of hearing;

''(ii) supported employment, including community-based supported employment programs to meet the needs of individuals with the most significant disabilities or to provide technical assistance to States and community organizations to improve and expand the provision of supported employment services; and

''(iii) model transitional planning services for youths with disabilities.

''(B) ADDITIONAL COMPETITIONS.—In announcing competitions for grants and contracts under this subsection, the Commissioner may require that applicants address 1 or more of the following:

''(i) Age ranges.

''(ii) Types of disabilities.

''(iii) Types of services.

''(iv) Models of service delivery.

''(v) Stage of the rehabilitation process.

''(vi) The needs of underserved populations, unserved and underserved areas, individuals with significant disabilities, low-incidence disability population or individuals residing in federally designated empowerment zones and enterprise communities.

''(vii) Expansion of employment opportunities for individuals with disabilities.

''(viii) Systems change projects to promote meaningful access of individuals with disabilities to employment-related services under title I of the Workforce Investment Act of 1998 and under other Federal laws.

''(ix) Innovative methods of promoting achievement of high-quality employment outcomes.

''(x) The demonstration of the effectiveness of early intervention activities in improving employment outcomes.

''(xi) Alternative methods of providing affordable transportation services to individuals with disabilities who are employed, seeking employment, or receiving vocational rehabilitation services from public or private organizations and who reside in geographic areas in which public transportation or paratransit service is not available.

''(6) USE OF FUNDS FOR CONTINUATION AWARDS.—The Commissioner may use funds made available to carry out this section for continuation awards for projects that were funded under sections 12 and 311 (as such sections were in effect on the day before the date of the enactment of the Rehabilitation Act Amendments of 1998).

''(c) PARENT INFORMATION AND TRAINING PROGRAM.—

''(1) GRANTS.—The Commissioner is authorized to make grants to private nonprofit organizations for the purpose of establishing programs to provide training and information to enable individuals with disabilities, and the parents, family members, guardians, advocates, or other authorized representatives of the individuals to participate more effectively with professionals in meeting the vocational, independent living, and rehabilitation needs of individuals with disabilities. Such grants shall be designed to meet the unique training and information needs of the individuals described in the preceding sentence, who live in the area to be served, particularly those who are members of populations that have been unserved or underserved by programs under this Act.

''(2) USE OF GRANTS.—An organization that receives a grant to establish training and information programs under this subsection shall use the grant to assist individuals with disabilities, and the parents, family members, guardians, advocates, or authorized representatives of the individuals—

''(A) to better understand vocational rehabilitation and independent living programs and services;

''(B) to provide followup support for transition and employment programs;

''(C) to communicate more effectively with transition and rehabilitation personnel and other relevant professionals;

''(D) to provide support in the development of the individualized plan for employment;

''(E) to provide support and expertise in obtaining information about rehabilitation and independent living programs, services, and resources that are appropriate; and

''(F) to understand the provisions of this Act, particularly provisions relating to employment, supported employment, and independent living.

''(3) AWARD OF GRANTS.—The Commissioner shall ensure that grants under this subsection—

''(A) shall be distributed geographically to the greatest extent possible throughout all States; and

''(B) shall be targeted to individuals with disabilities, and the parents, family members, guardians, advocates, or authorized representatives of the individuals, in both urban and rural areas or on a State or regional basis.

''(4) ELIGIBLE ORGANIZATIONS.—In order to receive a grant under this subsection, an organization—

''(A) shall submit an application to the Commissioner at such time, in such manner, and containing such information as the Commissioner may require, including information demonstrating the capacity and expertise of the organization—

''(i) to coordinate training and information activities with Centers for Independent Living;

''(ii) to coordinate and work closely with parent training and information centers established pursuant to section 682(a) of the Individuals with Disabilities Education Act (as added by section 101 of the Individuals with Disabilities Education Act Amendments of 1997; Public Law 105–17); and

''(iii) to effectively conduct the training and information activities authorized under this subsection;

''(B)(i) shall be governed by a board of directors—

''(I) that includes professionals in the field of vocational rehabilitation; and

''(II) on which a majority of the members are individuals with disabilities or the parents, family members, guardians, advocates, or authorized representatives of the individuals; or

''(ii)(I) shall have a membership that represents the interests of individuals with disabilities; and

''(II) shall establish a special governing committee that meets the requirements specified in subclauses (I) and (II) of clause (i) to operate a training and information program under this subsection; and

''(C) shall serve individuals with a full range of disabilities, and the parents, family members, guardians, advocates, or authorized representatives of the individuals.

''(5) CONSULTATION.—Each organization carrying out a program receiving assistance under this subsection shall consult with appropriate agencies that serve or assist individuals with disabilities, and the parents, family members, guardians, advocates, or authorized representatives of the individuals, located in the jurisdiction served by the program.

''(6) COORDINATION.—The Commissioner shall provide coordination and technical assistance by grant or cooperative agreement for establishing, developing, and coordinating the training and information programs. To the extent practicable, such assistance shall be provided by the parent training and information centers established pursuant to section 682(a) of the Individuals with Disabilities Education Act (as added by section 101 of the Individuals with Disabilities Education Act Amendments of 1997; Public Law 105–17).

''(7) REVIEW.—

''(A) QUARTERLY REVIEW.—The board of directors or special governing committee of an organization receiving a grant under this subsection shall meet at least once in each calendar quarter to review the training and information program, and each such committee shall directly advise the governing board regarding the views and recommendations of the committee.

''(B) REVIEW FOR GRANT RENEWAL.—If a nonprofit private organization requests the renewal of a grant under this subsection, the board of directors or the special governing committee shall prepare and submit to the Commissioner a written review of the training and information program conducted by the organization during the preceding fiscal year.

''(d) BRAILLE TRAINING PROGRAMS.—

''(1) ESTABLISHMENT.—The Commissioner shall make grants to, and enter into contracts with, States and public or nonprofit agencies and organizations, including institutions of higher education, to pay all or part of the cost of training in the use of braille for personnel

providing vocational rehabilitation services or educational services to youth and adults who are blind.

''(2) PROJECTS.—Such grants shall be used for the establishment or continuation of projects that may provide—

''(A) development of braille training materials;

''(B) in-service or pre-service training in the use of braille, the importance of braille literacy, and methods of teaching braille to youth and adults who are blind; and

''(C) activities to promote knowledge and use of braille and nonvisual access technology for blind youth and adults through a program of training, demonstration, and evaluation conducted with leadership of experienced blind individuals, including the use of comprehensive, state-of-the-art technology.

''(3) APPLICATION.—To be eligible to receive a grant, or enter into a contract, under paragraph (1), an agency or organization shall submit an application to the Commissioner at such time, in such manner, and containing such information as the Commissioner may require.

''(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section such sums as may be necessary for each of the fiscal years 1999 through 2003.

''SEC. 304. MIGRANT AND SEASONAL FARMWORKERS.

''(a) GRANTS.—

''(1) AUTHORITY.—The Commissioner, subject to the provisions of section 306, may make grants to eligible entities to pay up to 90 percent of the cost of projects or demonstration programs for the provision of vocational rehabilitation services to individuals with disabilities who are migrant or seasonal farmworkers, as determined in accordance with rules prescribed by the Secretary of Labor, and to the family members who are residing with such individuals (whether or not such family members are individuals with disabilities).

''(2) ELIGIBLE ENTITIES.—To be eligible to receive a grant under paragraph (1), an entity shall be—

''(A) a State designated agency;

''(B) a nonprofit agency working in collaboration with a State agency described in subparagraph (A); or

''(C) a local agency working in collaboration with a State agency described in subparagraph (A).

''(3) MAINTENANCE AND TRANSPORTATION.—

''(A) IN GENERAL.—Amounts provided under a grant under this section may be used to provide for the maintenance of and transportation for individuals and family members described in paragraph (1) as necessary for the rehabilitation of such individuals.

''(B) REQUIREMENT.—Maintenance payments under this paragraph shall be provided in a manner consistent with any maintenance payments provided to other individuals with disabilities in the State under this Act.

''(4) ASSURANCE OF COOPERATION.—To be eligible to receive a grant under this section an entity shall provide assurances (satisfactory to the Commissioner) that in the provision of services under the grant there will be appropriate cooperation between the grantee and other public or nonprofit agencies and organizations having special skills and experience in the provision of services to migrant or seasonal farmworkers or their families.

''(5) COORDINATION WITH OTHER PROGRAMS.—The Commissioner shall administer this section in coordination with other programs serving migrant and seasonal farmworkers, including programs under title I of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6301 et seq.), section 330 of the Public Health Service Act (42 U.S.C. 254b), the Migrant and Seasonal Agricultural Worker Protection Act (29 U.S.C. 1801 et seq.), and the Workforce Investment Act of 1998.

''(b) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as may be necessary to carry out this section, for each of the fiscal years 1999 through 2003.

''SEC. 305. RECREATIONAL PROGRAMS.

''(a) GRANTS.—

''(1) AUTHORITY.—

''(A) IN GENERAL.—The Commissioner, subject to the provisions of section 306, shall make grants to States, public agencies, and nonprofit private organizations to pay the Federal share of the cost of the establishment and operation of recreation programs to provide individuals with disabilities with recreational activities and related experiences to aid in the employment, mobility, socialization, independence, and community integration of such individuals.

''(B) RECREATION PROGRAMS.—The recreation programs that may be funded using assistance provided under a grant under this section may include vocational skills development, leisure education, leisure networking, leisure resource development, physical education and sports, scouting and camping, 4–H activities, construction of facilities for aquatic rehabilitation therapy, music, dancing, handicrafts, art, and homemaking. When possible and appropriate, such programs and activities should be provided in settings with peers who are not individuals with disabilities.

''(C) DESIGN OF PROGRAM.—Programs and activities carried out under this section shall be designed to demonstrate ways in which such programs assist in maximizing the independence and integration of individuals with disabilities.

''(2) MAXIMUM TERM OF GRANT.—A grant under this section shall be made for a period of not more than 3 years.

''(3) AVAILABILITY OF NONGRANT RESOURCES.—

''(A) IN GENERAL.—A grant may not be made to an applicant under this section unless the applicant provides assurances that, with respect to costs of the recreation program to be carried out under the grant, the applicant, to the maximum extent practicable, will make available non-Federal resources (in cash or in-kind) to pay the non-Federal share of such costs.

''(B) FEDERAL SHARE.—The Federal share of the costs of the recreation programs carried out under this section shall be—

''(i) with respect to the first year in which assistance is provided under a grant under this section, 100 percent;

''(ii) with respect to the second year in which assistance is provided under a grant under this section, 75 percent; and

''(iii) with respect to the third year in which assistance is provided under a grant under this section, 50 percent.

''(4) APPLICATION.—To be eligible to receive a grant under this section, a State, agency, or organization shall submit an application to the Commissioner at such time, in such manner, and containing such information as the Commissioner may require, including a description of—

''(A) the manner in which the findings and results of the project to be funded under the grant, particularly information that facilitates the replication of the results of such projects, will be made generally available; and

''(B) the manner in which the service program funded under the grant will be continued after Federal assistance ends.

''(5) LEVEL OF SERVICES.—Recreation programs funded under this section shall maintain, at a minimum, the same level of services over a 3-year project period.

''(6) REPORTS BY GRANTEES.—

''(A) REQUIREMENT.—The Commissioner shall require that each recipient of a grant under this section annually prepare and submit to the Commissioner a report concerning the results of the activities funded under the grant.

''(B) LIMITATION.—The Commissioner may not make financial assistance available to a grant recipient for a subsequent year until the Commissioner has received and evaluated the annual report of the recipient under subparagraph (A) for the current year.

''(b) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section, such sums as may be necessary for each of the fiscal years 1999 through 2003.

''SEC. 306. MEASURING OF PROJECT OUTCOMES AND PERFORMANCE.

''The Commissioner may require that recipients of grants under this title submit information, including data, as determined by the Commissioner to be necessary to measure project outcomes and performance, including any data needed to comply with the Government Performance and Results Act.''.

SEC. 407. NATIONAL COUNCIL ON DISABILITY.

Title IV of the Rehabilitation Act of 1973 (29 U.S.C. 780 et seq.) is amended to read as follows:

''TITLE IV—NATIONAL COUNCIL ON DISABILITY

''ESTABLISHMENT OF NATIONAL COUNCIL ON DISABILITY

''SEC. 400. (a)(1)(A) There is established within the Federal Government a National Council on Disability (hereinafter in this title referred to as the 'National Council'), which shall be composed of fifteen members appointed by the President, by and with the advice and consent of the Senate.

''(B) The President shall select members of the National Council after soliciting recommendations from representatives of—

''(i) organizations representing a broad range of individuals with disabilities; and

''(ii) organizations interested in individuals with disabilities.

''(C) The members of the National Council shall be individuals with disabilities, parents or guardians of individuals with disabilities, or other individuals who have substantial knowledge or experience relating to disability policy or programs. The members of the National Council shall be appointed so as to be representative of individuals with disabilities, national organizations concerned with individuals with disabilities, providers and administrators of services to individuals with disabilities, individuals engaged in conducting medical or scientific research relating to individuals with disabilities, business concerns, and labor organizations. A majority of the members of the National Council shall be individuals with disabilities. The members of the National Council shall be broadly representative of minority and other individuals and groups.

''(2) The purpose of the National Council is to promote policies, programs, practices, and procedures that—

''(A) guarantee equal opportunity for all individuals with disabilities, regardless of the nature or severity of the disability; and

''(B) empower individuals with disabilities to achieve economic self-sufficiency, independent living, and inclusion and integration into all aspects of society.

''(b)(1) Each member of the National Council shall serve for a term of 3 years, except that the terms of service of the members initially appointed after the date of enactment of the Rehabilitation, Comprehensive Services, and Developmental Disabilities Amendments of 1978 shall be (as specified by the President) for such fewer number of years as will provide for the expiration of terms on a staggered basis.

''(2)(A) No member of the National Council may serve more than two consecutive full terms beginning on the date of commencement of the first full term on the Council. Members may serve after the expiration of their terms until their successors have taken office.

''(B) As used in this paragraph, the term 'full term' means a term of 3 years.

''(3) Any member appointed to fill a vacancy occurring before the expiration of the term for which such member's predecessor was appointed shall be appointed only for the remainder of such term.

''(c) The President shall designate the Chairperson from among the members appointed to

the National Council. The National Council shall meet at the call of the Chairperson, but not less often than four times each year.

''(d) Eight members of the National Council shall constitute a quorum and any vacancy in the National Council shall not affect its power to function.

''DUTIES OF NATIONAL COUNCIL

''SEC. 401. (a) The National Council shall—

''(1) provide advice to the Director with respect to the policies and conduct of the National Institute on Disability and Rehabilitation Research, including ways to improve research concerning individuals with disabilities and the methods of collecting and disseminating findings of such research;

''(2) provide advice to the Commissioner with respect to the policies of and conduct of the Rehabilitation Services Administration;

''(3) advise the President, the Congress, the Commissioner, the appropriate Assistant Secretary of the Department of Education, and the Director of the National Institute on Disability and Rehabilitation Research on the development of the programs to be carried out under this Act;

''(4) provide advice regarding priorities for the activities of the Interagency Disability Coordinating Council and review the recommendations of such Council for legislative and administrative changes to ensure that such recommendations are consistent with the purposes of the Council to promote the full integration, independence, and productivity of individuals with disabilities;

''(5) review and evaluate on a continuing basis—

''(A) policies, programs, practices, and procedures concerning individuals with disabilities conducted or assisted by Federal departments and agencies, including programs established or assisted under this Act or under the Developmental Disabilities Assistance and Bill of Rights Act; and

''(B) all statutes and regulations pertaining to Federal programs which assist such individuals with disabilities;

in order to assess the effectiveness of such policies, programs, practices, procedures, statutes, and regulations in meeting the needs of individuals with disabilities;

''(6) assess the extent to which such policies, programs, practices, and procedures facilitate or impede the promotion of the policies set forth in subparagraphs (A) and (B) of section 400(a)(2);

''(7) gather information about the implementation, effectiveness, and impact of the Americans with Disabilities Act of 1990 (42 U.S.C. 12101 et seq.);

''(8) make recommendations to the President, the Congress, the Secretary, the Director of the National Institute on Disability and Rehabilitation Research, and other officials of Federal agencies or other Federal entities, respecting ways to better promote the policies set forth in section 400(a)(2);

''(9) provide to the Congress on a continuing basis advice, recommendations, legislative proposals, and any additional information that the National Council or the Congress deems appropriate; and

''(10) review and evaluate on a continuing basis new and emerging disability policy issues affecting individuals with disabilities at the Federal, State, and local levels, and in the private sector, including the need for and coordination of adult services, access to personal assistance services, school reform efforts and the impact of such efforts on individuals with disabilities, access to health care, and policies that operate as disincentives for the individuals to seek and retain employment.

''(b)(1) Not later than October 31, 1998, and annually thereafter, the National Council shall prepare and submit to the President and the appropriate committees of the Congress a report entitled 'National Disability Policy: A Progress Report'.

''(2) The report shall assess the status of the Nation in achieving the policies set forth in section 400(a)(2), with particular focus on the new and emerging issues impacting on the lives of individuals with disabilities. The report shall present, as appropriate, available data on health, housing, employment, insurance, transportation, recreation, training, prevention, early intervention, and education. The report shall include recommendations for policy change.

''(3) In determining the issues to focus on and the findings, conclusions, and recommendations to include in the report, the National Council shall seek input from the public, particularly individuals with disabilities, representatives of organizations representing a broad range of individuals with disabilities, and organizations and agencies interested in individuals with disabilities.

''COMPENSATION OF NATIONAL COUNCIL MEMBERS

''SEC. 402. (a) Members of the National Council shall be entitled to receive compensation at a rate equal to the rate of pay for level 4 of the Senior Executive Service Schedule under section 5382 of title 5, United States Code, including travel time, for each day they are engaged in the performance of their duties as members of the National Council.

''(b) Members of the National Council who are full-time officers or employees of the United States shall receive no additional pay on account of their service on the National Council except for compensation for travel expenses as provided under subsection (c) of this section.

''(c) While away from their homes or regular places of business in the performance of services for the National Council, members of the National Council shall be allowed travel expenses, including per diem in lieu of subsistence, in the same manner as persons employed intermittently in the Government service are allowed expenses under section 5703 of title 5, United States Code.

''STAFF OF NATIONAL COUNCIL

''SEC. 403. (a)(1) The Chairperson of the National Council may appoint and remove, without regard to the provisions of title 5, United States Code, governing appointments, the provisions of chapter 75 of such title (relating to adverse actions), the provisions of chapter 77 of such title (relating to appeals), or the provisions of chapter 51 and subchapter III of chapter 53 of such title (relating to classification and General Schedule pay rates), an Executive Director to assist the National Council to carry out its duties. The Executive Director shall be appointed from among individuals who are experienced in the planning or operation of programs for individuals with disabilities.

''(2) The Executive Director is authorized to hire technical and professional employees to assist the National Council to carry out its duties.

''(b)(1) The National Council may procure temporary and intermittent services to the same extent as is authorized by section 3109(b) of title 5, United States Code (but at rates for individuals not to exceed the daily equivalent of the rate of pay for level 4 of the Senior Executive Service Schedule under section 5382 of title 5, United States Code).

''(2) The National Council may—

''(A) accept voluntary and uncompensated services, notwithstanding the provisions of section 1342 of title 31, United States Code;

''(B) in the name of the Council, solicit, accept, employ, and dispose of, in furtherance of this Act, any money or property, real or personal, or mixed, tangible or nontangible, received by gift, devise, bequest, or otherwise; and

''(C) enter into contracts and cooperative agreements with Federal and State agencies, private firms, institutions, and individuals for the conduct of research and surveys, preparation of reports and other activities necessary to the discharge of the Council's duties and responsibilities.

''(3) Not more than 10 per centum of the total amounts available to the National Council in each fiscal year may be used for official representation and reception.

''(c) The Administrator of General Services shall provide to the National Council on a reimbursable basis such administrative support services as the Council may request.

''(d)(1) It shall be the duty of the Secretary of the Treasury to invest such portion of the amounts made available under subsection (a)(2)(B) as is not, in the Secretary's judgment, required to meet current withdrawals. Such investments may be made only in interest-bearing obligations of the United States or in obligations guaranteed as to both principal and interest by the United States.

''(2) The amounts described in paragraph (1), and the interest on, and the proceeds from the sale or redemption of, the obligations described in paragraph (1) shall be available to the National Council to carry out this title.

''ADMINISTRATIVE POWERS OF NATIONAL COUNCIL

''SEC. 404. (a) The National Council may prescribe such bylaws and rules as may be necessary to carry out its duties under this title.

''(b) The National Council may hold such hearings, sit and act at such times and places, take such testimony, and receive such evidence as it deems advisable.

''(c) The National Council may appoint advisory committees to assist the National Council in carrying out its duties. The members thereof shall serve without compensation.

''(d) The National Council may use the United States mails in the same manner and upon the same conditions as other departments and agencies of the United States.

''(e) The National Council may use, with the consent of the agencies represented on the Interagency Disability Coordinating Council, and as authorized in title V, such services, personnel, information, and facilities as may be needed to carry out its duties under this title, with or without reimbursement to such agencies.

''AUTHORIZATION OF APPROPRIATIONS

''SEC. 405. There are authorized to be appropriated to carry out this title such sums as may be necessary for each of the fiscal years 1999 through 2003.''.

SEC. 408. RIGHTS AND ADVOCACY.

(a) CONFORMING AMENDMENTS TO RIGHTS AND ADVOCACY PROVISIONS.—

(1) EMPLOYMENT.—Section 501 (29 U.S.C. 791) is amended—

(A) in the third sentence of subsection (a), by striking ''President's Committees on Employment of the Handicapped'' and inserting ''President's Committees on Employment of People With Disabilities''; and

(B) in subsection (e), by striking ''individualized written rehabilitation program'' and inserting ''individualized plan for employment''.

(2) ACCESS BOARD.—Section 502 (29 U.S.C. 792) is amended—

(A) in subsection (a)(1), in the sentence following subparagraph (B), by striking ''Chairperson'' and inserting ''chairperson'';

(B) in subsection (b)—

(i) in paragraph (2), by striking ''guidelines'' and inserting ''information'';

(ii) by striking paragraph (3) and inserting the following:

''(3) establish and maintain—

''(A) minimum guidelines and requirements for the standards issued pursuant to the Act commonly known as the Architectural Barriers Act of 1968;

''(B) minimum guidelines and requirements for the standards issued pursuant to titles II and III of the Americans with Disabilities Act of 1990;

''(C) guidelines for accessibility of telecommunications equipment and customer premises equipment under section 255 of the Telecommunications Act of 1934 (47 U.S.C. 255); and

''(D) standards for accessible electronic and information technology under section 508;'';

(iii) in paragraph (9), by striking ''; and'' and inserting a semicolon;

(iv) in paragraph (10), by striking the period and inserting ''; and''; and

(v) by adding at the end the following:

''(11) carry out the responsibilities specified for the Access Board in section 508.'';

(C) in subsection (d)(1), by striking ''procedures under this section'' and inserting ''procedures under this subsection'';

(D) in subsection (g)(2), by striking ''Committee on Education and Labor'' and inserting ''Committee on Education and the Workforce'';

(E) in subsection (h)(2)(A), by striking ''paragraphs (5) and (7)'' and inserting ''paragraphs (2) and (4)''; and

(F) in subsection (i), by striking ''fiscal years 1993 through 1997'' and inserting ''fiscal years 1999 through 2003''.

(3) FEDERAL GRANTS AND CONTRACTS.—Section 504(a) (29 U.S.C. 794(a)) is amended in the first sentence by striking ''section 7(8)'' and inserting ''section 7(20)''.

(4) SECRETARIAL RESPONSIBILITIES.—Section 506(a) (29 U.S.C. 794b(a)) is amended—

(A) by striking the second sentence and inserting the following: ''Any concurrence of the Access Board under paragraph (2) shall reflect its consideration of cost studies carried out by States.''; and

(B) in the second sentence of subsection (c), by striking ''provided under this paragraph'' and inserting ''provided under this subsection''.

(b) ELECTRONIC AND INFORMATION TECHNOLOGY REGULATIONS.—Section 508 (29 U.S.C. 794d) is amended to read as follows:

''SEC. 508. ELECTRONIC AND INFORMATION TECHNOLOGY.

''(a) REQUIREMENTS FOR FEDERAL DEPARTMENTS AND AGENCIES.—

''(1) ACCESSIBILITY.—

''(A) DEVELOPMENT, PROCUREMENT, MAINTENANCE, OR USE OF ELECTRONIC AND INFORMATION TECHNOLOGY.—When developing, procuring, maintaining, or using electronic and information technology, each Federal department or agency, including the United States Postal Service, shall ensure, unless an undue burden would be imposed on the department or agency, that the electronic and information technology allows, regardless of the type of medium of the technology—

''(i) individuals with disabilities who are Federal employees to have access to and use of information and data that is comparable to the access to and use of the information and data by Federal employees who are not individuals with disabilities; and

''(ii) individuals with disabilities who are members of the public seeking information or services from a Federal department or agency to have access to and use of information and data that is comparable to the access to and use of the information and data by such members of the public who are not individuals with disabilities.

''(B) ALTERNATIVE MEANS EFFORTS.—When development, procurement, maintenance, or use of electronic and information technology that meets the standards published by the Access Board under paragraph (2) would impose an undue burden, the Federal department or agency shall provide individuals with disabilities covered by paragraph (1) with the information and data involved by an alternative means of access that allows the individual to use the information and data.

''(2) ELECTRONIC AND INFORMATION TECHNOLOGY STANDARDS.—

''(A) IN GENERAL.—Not later than 18 months after the date of enactment of the Rehabilitation Act Amendments of 1998, the Architectural and Transportation Barriers Compliance Board (referred to in this section as the 'Access Board'), after consultation with the Secretary of Education, the Administrator of General Services, the Secretary of Commerce, the Chairman of the Federal Communications Commission, the Secretary of Defense, and the head of any other Federal department or agency that the Access Board determines to be appropriate, including consultation on relevant research findings, and after consultation with the electronic and information technology industry and appropriate public or nonprofit agencies or organizations, including organizations representing individuals with disabilities, shall issue and publish standards setting forth—

''(i) for purposes of this section, a definition of electronic and information technology that is consistent with the definition of information technology specified in section 5002(3) of the Clinger-Cohen Act of 1996 (40 U.S.C. 1401(3)); and

''(ii) the technical and functional performance criteria necessary to implement the requirements set forth in paragraph (1).

''(B) REVIEW AND AMENDMENT.—The Access Board shall periodically review and, as appropriate, amend the standards required under subparagraph (A) to reflect technological advances or changes in electronic and information technology.

''(3) INCORPORATION OF STANDARDS.—Not later than 6 months after the Access Board publishes the standards required under paragraph (2), the Federal Acquisition Regulatory Council shall revise the Federal Acquisition Regulation and each Federal department or agency shall revise the Federal procurement policies and directives under the control of the department or agency to incorporate those standards. Not later than 6 months after the Access Board revises any standards required under paragraph (2), the Council shall revise the Federal Acquisition Regulation and each appropriate Federal department or agency shall revise the procurement policies and directives, as necessary, to incorporate the revisions.

''(4) ACQUISITION PLANNING.—In the event that a Federal department or agency determines that compliance with the standards issued by the Access Board under paragraph (2) relating to procurement imposes an undue burden, the documentation by the department or agency supporting the procurement shall explain why compliance creates an undue burden.

''(5) EXEMPTION FOR NATIONAL SECURITY SYSTEMS.—This section shall not apply to national security systems, as that term is defined in section 5142 of the Clinger-Cohen Act of 1996 (40 U.S.C. 1452).

''(6) CONSTRUCTION.—

''(A) EQUIPMENT.—In a case in which the Federal Government provides access to the public to information or data through electronic and information technology, nothing in this section shall be construed to require a Federal department or agency—

''(i) to make equipment owned by the Federal Government available for access and use by individuals with disabilities covered by paragraph (1) at a location other than that where the electronic and information technology is provided to the public; or

''(ii) to purchase equipment for access and use by individuals with disabilities covered by paragraph (1) at a location other than that where the electronic and information technology is provided to the public.

''(B) SOFTWARE AND PERIPHERAL DEVICES.—Except as required to comply with standards issued by the Access Board under paragraph (2), nothing in paragraph (1) requires the installation of specific accessibility-related software or the attachment of a specific accessibility-related peripheral device at a workstation of a Federal employee who is not an individual with a disability.

''(b) TECHNICAL ASSISTANCE.—The Administrator of General Services and the Access Board shall provide technical assistance to individuals and Federal departments and agencies concerning the requirements of this section.

''(c) AGENCY EVALUATIONS.—Not later than 6 months after the date of enactment of the Rehabilitation Act Amendments of 1998, the head of each Federal department or agency shall evaluate the extent to which the electronic and information technology of the department or agency is accessible to and usable by individuals with disabilities described in subsection (a)(1), compared to the access to and use of the technology by individuals described in such subsection who are not individuals with disabilities, and submit a report containing the evaluation to the Attorney General.

''(d) REPORTS.—

''(1) INTERIM REPORT.—Not later than 18 months after the date of enactment of the Rehabilitation Act Amendments of 1998, the Attorney General shall prepare and submit to the President a report containing information on and recommendations regarding the extent to which the electronic and information technology of the Federal Government is accessible to and usable by individuals with disabilities described in subsection (a)(1).

''(2) BIENNIAL REPORTS.—Not later than 3 years after the date of enactment of the Rehabilitation Act Amendments of 1998, and every 2 years thereafter, the Attorney General shall prepare and submit to the President and Congress a report containing information on and recommendations regarding the state of Federal department and agency compliance with the requirements of this section, including actions regarding individual complaints under subsection (f).

''(e) COOPERATION.—Each head of a Federal department or agency (including the Access Board, the Equal Employment Opportunity Commission, and the General Services Administration) shall provide to the Attorney General such information as the Attorney General determines is necessary to conduct the evaluations under subsection (c) and prepare the reports under subsection (d).

''(f) ENFORCEMENT.—

''(1) GENERAL.—

''(A) COMPLAINTS.—Effective 2 years after the date of enactment of the Rehabilitation Act Amendments of 1998, any individual with a disability may file a complaint alleging that a Federal department or agency fails to comply with subsection (a)(1) in providing electronic and information technology.

''(B) APPLICATION.—This subsection shall apply only to electronic and information technology that is procured by a Federal department or agency not less than 2 years after the date of enactment of the Rehabilitation Act Amendments of 1998.

''(2) ADMINISTRATIVE COMPLAINTS.—Complaints filed under paragraph (1) shall be filed with the Federal department or agency alleged to be in noncompliance. The Federal department or agency receiving the complaint shall apply the complaint procedures established to implement section 504 for resolving allegations of discrimination in a federally conducted program or activity.

''(3) CIVIL ACTIONS.—The remedies, procedures, and rights set forth in sections 505(a)(2) and 505(b) shall be the remedies, procedures, and rights available to any individual with a disability filing a complaint under paragraph (1).

''(g) APPLICATION TO OTHER FEDERAL LAWS.—This section shall not be construed to limit any right, remedy, or procedure otherwise available under any provision of Federal law (including sections 501 through 505) that provides greater or equal protection for the rights of individuals with disabilities than this section.''.

(c) PROTECTION AND ADVOCACY OF INDIVIDUAL RIGHTS.—Section 509 (29 U.S.C. 794e) is amended to read as follows:

''SEC. 509. PROTECTION AND ADVOCACY OF INDIVIDUAL RIGHTS.

''(a) PURPOSE AND CONSTRUCTION.—

''(1) PURPOSE.—The purpose of this section is to support a system in each State to protect the legal and human rights of individuals with disabilities who—

''(A) need services that are beyond the scope of services authorized to be provided by the client assistance program under section 112; and

''(B)(i) are ineligible for protection and advocacy programs under part C of the Developmental Disabilities Assistance and Bill of Rights Act (42 U.S.C. 6041 et seq.) because the individuals do not have a developmental disability, as defined in section 102 of such Act (42 U.S.C. 6002); and

''(ii) are ineligible for services under the Protection and Advocacy for Mentally Ill Individuals Act of 1986 (42 U.S.C. 10801 et seq.) because the individuals are not individuals with mental illness, as defined in section 102 of such Act (42 U.S.C. 10802).

''(2) CONSTRUCTION.—This section shall not be construed to require the provision of protection and advocacy services that can be provided under the Technology-Related Assistance for Individuals With Disabilities Act of 1988 (42 U.S.C. 2201 et seq.).

''(b) APPROPRIATIONS LESS THAN $5,500,000.—For any fiscal year in which the amount appropriated to carry out this section is less than $5,500,000, the Commissioner may make grants from such amount to eligible systems within States to plan for, develop outreach strategies for, and carry out protection and advocacy programs authorized under this section for individuals with disabilities who meet the requirements of subparagraphs (A) and (B) of subsection (a)(1).

''(c) APPROPRIATIONS OF $5,500,000 OR MORE.—

''(1) RESERVATIONS.—

''(A) TECHNICAL ASSISTANCE.—For any fiscal year in which the amount appropriated to carry out this section equals or exceeds $5,500,000, the Commissioner shall set aside not less than 1.8 percent and not more than 2.2 percent of the amount to provide training and technical assistance to the systems established under this section.

''(B) GRANT FOR THE ELIGIBLE SYSTEM SERVING THE AMERICAN INDIAN CONSORTIUM.—For any fiscal year in which the amount appropriated to carry out this section equals or exceeds $10,500,000, the Commissioner shall reserve a portion, and use the portion to make a grant for the eligible system serving the American Indian consortium. The Commission shall make the grant in an amount of not less than $50,000 for the fiscal year.

''(2) ALLOTMENTS.—For any such fiscal year, after the reservations required by paragraph (1) have been made, the Commissioner shall make allotments from the remainder of such amount in accordance with paragraph (3) to eligible systems within States to enable such systems to carry out protection and advocacy programs authorized under this section for individuals referred to in subsection (b).

''(3) SYSTEMS WITHIN STATES.—

''(A) POPULATION BASIS.—Except as provided in subparagraph (B), from such remainder for each such fiscal year, the Commissioner shall make an allotment to the eligible system within a State of an amount bearing the same ratio to such remainder as the population of the State bears to the population of all States.

''(B) MINIMUMS.—Subject to the availability of appropriations to carry out this section, and except as provided in paragraph (4), the allotment to any system under subparagraph (A) shall be not less than $100,000 or one-third of one percent of the remainder for the fiscal year for which the allotment is made, whichever is greater, and the allotment to any system under this section for any fiscal year that is less than $100,000 or one-third of one percent of such remainder shall be increased to the greater of the two amounts.

''(4) SYSTEMS WITHIN OTHER JURISDICTIONS.—

''(A) IN GENERAL.—For the purposes of paragraph (3)(B), Guam, American Samoa, the United States Virgin Islands, and the Commonwealth of the Northern Mariana Islands shall not be considered to be States.

''(B) ALLOTMENT.—The eligible system within a jurisdiction described in subparagraph (A) shall be allotted under paragraph (3)(A) not less than $50,000 for the fiscal year for which the allotment is made.

''(5) ADJUSTMENT FOR INFLATION.—For any fiscal year, beginning in fiscal year 1999, in which the total amount appropriated to carry out this section exceeds the total amount appropriated to carry out this section for the preceding fiscal year, the Commissioner shall increase each of the minimum grants or allotments under paragraphs (1)(B), (3)(B), and (4)(B) by a percentage that shall not exceed the percentage increase in the total amount appropriated to carry out this section between the preceding fiscal year and the fiscal year involved.

''(d) PROPORTIONAL REDUCTION.—To provide minimum allotments to systems within States (as increased under subsection (c)(5)) under subsection (c)(3)(B), or to provide minimum allotments to systems within States (as increased under subsection (c)(5)) under subsection (c)(4)(B), the Commissioner shall proportionately reduce the allotments of the remaining systems within States under subsection (c)(3), with such adjustments as may be necessary to prevent the allotment of any such remaining system within a State from being reduced to less than the minimum allotment for a system within a State (as increased under subsection (c)(5)) under subsection (c)(3)(B), or the minimum allotment for a State (as increased under subsection (c)(5)) under subsection (c)(4)(B), as appropriate.

''(e) REALLOTMENT.—Whenever the Commissioner determines that any amount of an allotment to a system within a State for any fiscal year described in subsection (c)(1) will not be expended by such system in carrying out the provisions of this section, the Commissioner shall make such amount available for carrying out the provisions of this section to one or more of the systems that the Commissioner determines will be able to use additional amounts during such year for carrying out such provisions. Any amount made available to a system for any fiscal year pursuant to the preceding sentence shall, for the purposes of this section, be regarded as an increase in the allotment of the system (as determined under the preceding provisions of this section) for such year.

''(f) APPLICATION.—In order to receive assistance under this section, an eligible system shall submit an application to the Commissioner, at such time, in such form and manner, and containing such information and assurances as the Commissioner determines necessary to meet the requirements of this section, including assurances that the eligible system will—

''(1) have in effect a system to protect and advocate the rights of individuals with disabilities;

''(2) have the same general authorities, including access to records and program income, as are set forth in part C of the Developmental Disabilities Assistance and Bill of Rights Act (42 U.S.C. 6041 et seq.);

''(3) have the authority to pursue legal, administrative, and other appropriate remedies or approaches to ensure the protection of, and advocacy for, the rights of such individuals within the State or the American Indian consortium who are individuals described in subsection (a)(1);

''(4) provide information on and make referrals to programs and services addressing the needs of individuals with disabilities in the State or the American Indian consortium;

''(5) develop a statement of objectives and priorities on an annual basis, and provide to the public, including individuals with disabilities and, as appropriate, the individuals' representatives, an opportunity to comment on the objectives and priorities established by, and activities of, the system including—

''(A) the objectives and priorities for the activities of the system for each year and the rationale for the establishment of such objectives and priorities; and

''(B) the coordination of programs provided through the system under this section with the advocacy programs of the client assistance program under section 112, the State long-term care ombudsman program established under the Older Americans Act of 1965 (42 U.S.C. 3001 et seq.), the Developmental Disabilities Assistance and Bill of Rights Act (42 U.S.C. 6000 et seq.), and the Protection and Advocacy for Mentally Ill Individuals Act of 1986 (42 U.S.C. 10801 et seq.);

''(6) establish a grievance procedure for clients or prospective clients of the system to ensure that individuals with disabilities are afforded equal opportunity to access the services of the system; and

''(7) provide assurances to the Commissioner that funds made available under this section will be used to supplement and not supplant the non-Federal funds that would otherwise be made available for the purpose for which Federal funds are provided.

''(g) CARRYOVER AND DIRECT PAYMENT.—

''(1) DIRECT PAYMENT.—Notwithstanding any other provision of law, the Commissioner shall pay directly to any system that complies with the provisions of this section, the amount of the allotment of the State or the grant for the eligible system that serves the American Indian consortium involved under this section, unless the State or American Indian consortium provides otherwise.

''(2) CARRYOVER.—Any amount paid to an eligible system that serves a State or American Indian consortium for a fiscal year that remains unobligated at the end of such year shall remain available to such system that serves the State or American Indian consortium for obligation during the next fiscal year for the purposes for which such amount was paid.

''(h) LIMITATION ON DISCLOSURE REQUIREMENTS.—For purposes of any audit, report, or evaluation of the performance of the program established under this section, the Commissioner shall not require such a program to disclose the identity of, or any other personally identifiable information related to, any individual requesting assistance under such program.

''(i) ADMINISTRATIVE COST.—In any State in which an eligible system is located within a State agency, a State may use a portion of any allotment under subsection (c) for the cost of the administration of the system required by this section. Such portion may not exceed 5 percent of the allotment.

''(j) DELEGATION.—The Commissioner may delegate the administration of this program to the Commissioner of the Administration on Developmental Disabilities within the Department of Health and Human Services.

''(k) REPORT.—The Commissioner shall annually prepare and submit to the Committee on Education and the Workforce of the House of Representatives and the Committee on Labor and Human Resources of the Senate a report describing the types of services and activities being undertaken by programs funded under this section, the total number of individuals served under this section, the types of disabilities represented by such individuals, and the types of issues being addressed on behalf of such individuals.

''(l) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section such sums as may be necessary for each of the fiscal years 1999 through 2003.

''(m) DEFINITIONS.—As used in this section:

''(1) ELIGIBLE SYSTEM.—The term 'eligible system' means a protection and advocacy system that is established under part C of the Developmental Disabilities Assistance and Bill of Rights Act (42 U.S.C. 6041 et seq.) and that meets the requirements of subsection (f).

''(2) AMERICAN INDIAN CONSORTIUM.—The term 'American Indian consortium' means a consortium established as described in section 142 of the Developmental Disabilities Assistance and Bill of Rights Act (42 U.S.C. 6042).''.

SEC. 409. EMPLOYMENT OPPORTUNITIES FOR INDIVIDUALS WITH DISABILITIES.

Title VI of the Rehabilitation Act of 1973 (29 U.S.C. 795 et seq.) is amended to read as follows:

''TITLE VI—EMPLOYMENT OPPORTUNITIES FOR INDIVIDUALS WITH DISABILITIES

''SEC. 601. SHORT TITLE.

''This title may be cited as the 'Employment Opportunities for Individuals With Disabilities Act'.

''PART A—PROJECTS WITH INDUSTRY

''PROJECTS WITH INDUSTRY

''SEC. 611. (a)(1) The purpose of this part is to create and expand job and career opportunities for individuals with disabilities in the competitive labor market by engaging the talent and leadership of private industry as partners in the rehabilitation process, to identify competitive job and career opportunities and the skills needed to perform such jobs, to create practical job and career readiness and training programs, and to provide job placements and career advancement.

''(2) The Commissioner, in consultation with the Secretary of Labor and with designated State units, may award grants to individual employers, community rehabilitation program providers, labor unions, trade associations, Indian tribes, tribal organizations, designated State units, and other entities to establish jointly financed Projects With Industry to create and expand job and career opportunities for individuals with disabilities, which projects shall—

''(A) provide for the establishment of business advisory councils, that shall—

''(i) be comprised of—

''(I) representatives of private industry, business concerns, and organized labor;

''(II) individuals with disabilities and representatives of individuals with disabilities; and

''(III) a representative of the appropriate designated State unit;

''(ii) identify job and career availability within the community, consistent with the current and projected local employment opportunities identified by the local workforce investment board for the community under section 118(b)(1)(B) of the Workforce Investment Act of 1998;

''(iii) identify the skills necessary to perform the jobs and careers identified; and

''(iv) prescribe training programs designed to develop appropriate job and career skills, or job placement programs designed to identify and develop job placement and career advancement opportunities, for individuals with disabilities in fields related to the job and career availability identified under clause (ii);

''(B) provide job development, job placement, and career advancement services;

''(C) to the extent appropriate, provide for—

''(i) training in realistic work settings in order to prepare individuals with disabilities for employment and career advancement in the competitive market; and

''(ii) to the extent practicable, the modification of any facilities or equipment of the employer involved that are used primarily by individuals with disabilities, except that a project shall not be required to provide for such modification if the modification is required as a reasonable accommodation under the Americans with Disabilities Act of 1990 (42 U.S.C. 12101 et seq.); and

''(D) provide individuals with disabilities with such support services as may be required in order to maintain the employment and career advancement for which the individuals have received training under this part.

''(3)(A) An individual shall be eligible for services described in paragraph (2) if the individual is determined to be an individual described in section 102(a)(1), and if the determination is made in a manner consistent with section 102(a).

''(B) Such a determination may be made by the recipient of a grant under this part, to the extent the determination is appropriate and available and consistent with the requirements of section 102(a).

''(4) The Commissioner shall enter into an agreement with the grant recipient regarding the establishment of the project. Any agreement shall be jointly developed by the Commissioner, the grant recipient, and, to the extent practicable, the appropriate designated State unit and the individuals with disabilities (or the individuals' representatives) involved. Such agreements shall specify the terms of training and employment under the project, provide for the payment by the Commissioner of part of the costs of the project (in accordance with subsection (c)), and contain the items required under subsection (b) and such other provisions as the parties to the agreement consider to be appropriate.

''(5) Any agreement shall include a description of a plan to annually conduct a review and evaluation of the operation of the project in accordance with standards developed by the Commissioner under subsection (d), and, in conducting the review and evaluation, to collect data and information of the type described in subparagraphs (A) through (C) of section 101(a)(10), as determined to be appropriate by the Commissioner.

''(6) The Commissioner may include, as part of agreements with grant recipients, authority for such grant recipients to provide technical assistance to—

''(A) assist employers in hiring individuals with disabilities; or

''(B) improve or develop relationships between—

''(i) grant recipients or prospective grant recipients; and

''(ii) employers or organized labor; or

''(C) assist employers in understanding and meeting the requirements of the Americans with Disabilities Act of 1990 (42 U.S.C. 12101 et seq.) as the Act relates to employment of individuals with disabilities.

''(b) No payment shall be made by the Commissioner under any agreement with a grant recipient entered into under subsection (a) unless such agreement—

''(1) provides an assurance that individuals with disabilities placed under such agreement shall receive at least the applicable minimum wage;

''(2) provides an assurance that any individual with a disability placed under this part shall be afforded terms and benefits of employment equal to terms and benefits that are afforded to the similarly situated nondisabled coworkers of the individual, and that such individuals with disabilities shall not be segregated from their co-workers; and

''(3) provides an assurance that an annual evaluation report containing information specified under subsection (a)(5) shall be submitted as determined to be appropriate by the Commissioner.

''(c) Payments under this section with respect to any project may not exceed 80 per centum of the costs of the project.

''(d)(1) The Commissioner shall develop standards for the evaluation described in subsection (a)(5) and shall review and revise the evaluation standards as necessary, subject to paragraph (2).

''(2) In revising the standards for evaluation to be used by the grant recipients, the Commissioner shall obtain and consider recommendations for such standards from State vocational rehabilitation agencies, current and former grant recipients, professional organizations representing business and industry, organizations representing individuals with disabilities, individuals served by grant recipients, organizations representing community rehabilitation program providers, and labor organizations.

''(e)(1)(A) A grant may be awarded under this section for a period of up to 5 years and such grant may be renewed.

''(B) Grants under this section shall be awarded on a competitive basis. To be eligible to receive such a grant, a prospective grant recipient shall submit an application to the Commissioner at such time, in such manner, and containing such information as the Commissioner may require.

''(2) The Commissioner shall, to the extent practicable, ensure an equitable distribution of payments made under this section among the States. To the extent funds are available, the Commissioner shall award grants under this section to new projects that will serve individuals with disabilities in States, portions of States, Indian tribes, or tribal organizations, that are currently unserved or underserved by projects.

''(f)(1) The Commissioner shall, as necessary, develop and publish in the Federal Register, in final form, indicators of what constitutes minimum compliance consistent with the evaluation standards under subsection (d)(1).

''(2) Each grant recipient shall report to the Commissioner at the end of each project year the extent to which the grant recipient is in compliance with the evaluation standards.

''(3)(A) The Commissioner shall annually conduct onsite compliance reviews of at least 15 percent of grant recipients. The Commissioner shall select grant recipients for review on a random basis.

''(B) The Commissioner shall use the indicators in determining compliance with the evaluation standards.

''(C) The Commissioner shall ensure that at least one member of a team conducting such a review shall be an individual who—

''(i) is not an employee of the Federal Government; and

''(ii) has experience or expertise in conducting projects.

''(D) The Commissioner shall ensure that—

''(i) a representative of the appropriate designated State unit shall participate in the review; and

''(ii) no person shall participate in the review of a grant recipient if—

''(I) the grant recipient provides any direct financial benefit to the reviewer; or

''(II) participation in the review would give the appearance of a conflict of interest.

''(4) In making a determination concerning any subsequent grant under this section, the Commissioner shall consider the past performance of the applicant, if applicable. The Commissioner shall use compliance indicators developed under this subsection that are consistent with program evaluation standards developed under subsection (d) to assess minimum project performance for purposes of making continuation awards in the third, fourth, and fifth years.

''(5) Each fiscal year the Commissioner shall include in the annual report to Congress required by section 13 an analysis of the extent to which grant recipients have complied with the evaluation standards. The Commissioner may identify individual grant recipients in the analysis. In addition, the Commissioner shall report the results of onsite compliance reviews, identifying individual grant recipients.

''(g) The Commissioner may provide, directly or by way of grant, contract, or cooperative agreement, technical assistance to—

''(1) entities conducting projects for the purpose of assisting such entities in—

''(A) the improvement of or the development of relationships with private industry or labor; or

''(B) the improvement of relationships with State vocational rehabilitation agencies; and

''(2) entities planning the development of new projects.

''(h) As used in this section:

''(1) The term 'agreement' means an agreement described in subsection (a)(4).

''(2) The term 'project' means a Project With Industry established under subsection (a)(2).

''(3) The term 'grant recipient' means a recipient of a grant under subsection (a)(2).

''AUTHORIZATION OF APPROPRIATIONS

''SEC. 612. There are authorized to be appropriated to carry out the provisions of this part, such sums as may be necessary for each of fiscal years 1999 through 2003.

''PART B—SUPPORTED EMPLOYMENT SERVICES FOR INDIVIDUALS WITH THE MOST SIGNIFICANT DISABILITIES

''SEC. 621. PURPOSE.

''It is the purpose of this part to authorize allotments, in addition to grants for vocational rehabilitation services under title I, to assist States in developing collaborative programs with appropriate entities to provide supported employment services for individuals with the most significant disabilities to enable such individuals to achieve the employment outcome of supported employment.

''SEC. 622. ALLOTMENTS.

''(a) IN GENERAL.—

''(1) STATES.—The Secretary shall allot the sums appropriated for each fiscal year to carry out this part among the States on the basis of relative population of each State, except that—

''(A) no State shall receive less than $250,000, or one-third of one percent of the sums appropriated for the fiscal year for which the allotment is made, whichever is greater; and

''(B) if the sums appropriated to carry out this part for the fiscal year exceed by $1,000,000 or more the sums appropriated to carry out this part in fiscal year 1992, no State shall receive less than $300,000, or one-third of one percent of the sums appropriated for the fiscal year for which the allotment is made, whichever is greater.

''(2) CERTAIN TERRITORIES.—

''(A) IN GENERAL.—For the purposes of this subsection, Guam, American Samoa, the United States Virgin Islands, and the Commonwealth of the Northern Mariana Islands shall not be considered to be States.

''(B) ALLOTMENT.—Each jurisdiction described in subparagraph (A) shall be allotted not less than one-eighth of one percent of the amounts appropriated for the fiscal year for which the allotment is made.

''(b) REALLOTMENT.—Whenever the Commissioner determines that any amount of an allotment to a State for any fiscal year will not be expended by such State for carrying out the provisions of this part, the Commissioner shall make such amount available for carrying out the provisions of this part to one or more of the States that the Commissioner determines will be able to use additional amounts during such year for carrying out such provisions. Any amount made available to a State for any fiscal year pursuant to the preceding sentence shall, for the purposes of this section, be regarded as an increase in the allotment of the State (as determined under the preceding provisions of this section) for such year.

''SEC. 623. AVAILABILITY OF SERVICES.

''Funds provided under this part may be used to provide supported employment services to individuals who are eligible under this part. Funds provided under this part, or title I, may not be used to provide extended services to individuals who are eligible under this part or title I.

''SEC. 624. ELIGIBILITY.

''An individual shall be eligible under this part to receive supported employment services authorized under this Act if—

''(1) the individual is eligible for vocational rehabilitation services;

''(2) the individual is determined to be an individual with a most significant disability; and

''(3) a comprehensive assessment of rehabilitation needs of the individual described in section 7(2)(B), including an evaluation of rehabilitation, career, and job needs, identifies supported employment as the appropriate employment outcome for the individual.

''SEC. 625. STATE PLAN.

''(a) STATE PLAN SUPPLEMENTS.—To be eligible for an allotment under this part, a State shall submit to the Commissioner, as part of the State plan under section 101, a State plan supplement for providing supported employment services authorized under this Act to individuals who are eligible under this Act to receive the services. Each State shall make such annual revisions in the plan supplement as may be necessary.

''(b) CONTENTS.—Each such plan supplement shall—

''(1) designate each designated State agency as the agency to administer the program assisted under this part;

''(2) summarize the results of the comprehensive, statewide assessment conducted under section 101(a)(15)(A)(i), with respect to the rehabilitation needs of individuals with significant disabilities and the need for supported employment services, including needs related to coordination;

''(3) describe the quality, scope, and extent of supported employment services authorized under this Act to be provided to individuals who are eligible under this Act to receive the services and specify the goals and plans of the State with respect to the distribution of funds received under section 622;

''(4) demonstrate evidence of the efforts of the designated State agency to identify and make arrangements (including entering into cooperative agreements) with other State agencies and other appropriate entities to assist in the provision of supported employment services;

''(5) demonstrate evidence of the efforts of the designated State agency to identify and make arrangements (including entering into cooperative agreements) with other public or nonprofit agencies or organizations within the State, employers, natural supports, and other entities with respect to the provision of extended services;

''(6) provide assurances that—

''(A) funds made available under this part will only be used to provide supported employment services authorized under this Act to individuals who are eligible under this part to receive the services;

''(B) the comprehensive assessments of individuals with significant disabilities conducted under section 102(b)(1) and funded under title I will include consideration of supported employment as an appropriate employment outcome;

''(C) an individualized plan for employment, as required by section 102, will be developed and updated using funds under title I in order to—

''(i) specify the supported employment services to be provided;

''(ii) specify the expected extended services needed; and

''(iii) identify the source of extended services, which may include natural supports, or to the extent that it is not possible to identify the source of extended services at the time the individualized plan for employment is developed, a statement describing the basis for concluding that there is a reasonable expectation that such sources will become available;

''(D) the State will use funds provided under this part only to supplement, and not supplant, the funds provided under title I, in providing supported employment services specified in the individualized plan for employment;

''(E) services provided under an individualized plan for employment will be coordinated with services provided under other individualized plans established under other Federal or State programs;

''(F) to the extent jobs skills training is provided, the training will be provided on site; and

''(G) supported employment services will include placement in an integrated setting for the maximum number of hours possible based on the unique strengths, resources, priorities, concerns, abilities, capabilities, interests, and informed choice of individuals with the most significant disabilities;

''(7) provide assurances that the State agencies designated under paragraph (1) will expend not more than 5 percent of the allotment of the State under this part for administrative costs of carrying out this part; and

''(8) contain such other information and be submitted in such manner as the Commissioner may require.

''SEC. 626. RESTRICTION.

''Each State agency designated under section 625(b)(1) shall collect the information required by section 101(a)(10) separately for eligible individuals receiving supported employment services under this part and for eligible individuals receiving supported employment services under title I.

''SEC. 627. SAVINGS PROVISION.

''(a) SUPPORTED EMPLOYMENT SERVICES.—Nothing in this Act shall be construed to prohibit a State from providing supported employment services in accordance with the State plan submitted under section 101 by using funds made available through a State allotment under section 110.

''(b) POSTEMPLOYMENT SERVICES.—Nothing in this part shall be construed to prohibit a State from providing discrete postemployment services in accordance with the State plan submitted under section 101 by using funds made available through a State allotment under section 110 to an individual who is eligible under this part.

''SEC. 628. AUTHORIZATION OF APPROPRIATIONS.

''There are authorized to be appropriated to carry out this part such sums as may be necessary for each of fiscal years 1999 through 2003.''.

SEC. 410. INDEPENDENT LIVING SERVICES AND CENTERS FOR INDEPENDENT LIVING.

Title VII of the Rehabilitation Act of 1973 (29 U.S.C. 796 et seq.) is amended to read as follows:

''TITLE VII—INDEPENDENT LIVING SERVICES AND CENTERS FOR INDEPENDENT LIVING

''CHAPTER 1—INDIVIDUALS WITH SIGNIFICANT DISABILITIES

''PART A—GENERAL PROVISIONS

''SEC. 701. PURPOSE.

''The purpose of this chapter is to promote a philosophy of independent living, including a philosophy of consumer control, peer support, self-help, self-determination, equal access, and individual and system advocacy, in order to maximize the leadership, empowerment, independence, and productivity of individuals with disabilities, and the integration and full inclusion of individuals with disabilities into the mainstream of American society, by—

''(1) providing financial assistance to States for providing, expanding, and improving the provision of independent living services;

''(2) providing financial assistance to develop and support statewide networks of centers for independent living; and

''(3) providing financial assistance to States for improving working relationships among State independent living rehabilitation service programs, centers for independent living, Statewide Independent Living Councils established under section 705, State vocational rehabilitation programs receiving assistance under title I, State programs of supported employment services receiving assistance under part B of title VI, client assistance programs receiving assistance under section 112, programs funded under other titles of this Act, programs funded under other Federal law, and programs funded through non-Federal sources.

''SEC. 702. DEFINITIONS.

''As used in this chapter:

''(1) CENTER FOR INDEPENDENT LIVING.—The term 'center for independent living' means a consumer-controlled, community-based, cross-disability, nonresidential private nonprofit agency that—

''(A) is designed and operated within a local community by individuals with disabilities; and

''(B) provides an array of independent living services.

''(2) CONSUMER CONTROL.—The term 'consumer control' means, with respect to a center for independent living, that the center vests power and authority in individuals with disabilities.

"SEC. 703. ELIGIBILITY FOR RECEIPT OF SERVICES.

''Services may be provided under this chapter to any individual with a significant disability, as defined in section 7(21)(B).

"SEC. 704. STATE PLAN.

''(a) IN GENERAL.—

''(1) REQUIREMENT.—To be eligible to receive financial assistance under this chapter, a State shall submit to the Commissioner, and obtain approval of, a State plan containing such provisions as the Commissioner may require, including, at a minimum, the provisions required in this section.

''(2) JOINT DEVELOPMENT.—The plan under paragraph (1) shall be jointly developed and signed by—

''(A) the director of the designated State unit; and

''(B) the chairperson of the Statewide Independent Living Council, acting on behalf of and at the direction of the Council.

''(3) PERIODIC REVIEW AND REVISION.—The plan shall provide for the review and revision of the plan, not less than once every 3 years, to ensure the existence of appropriate planning, financial support and coordination, and other assistance to appropriately address, on a statewide and comprehensive basis, needs in the State for—

''(A) the provision of State independent living services;

''(B) the development and support of a statewide network of centers for independent living; and

''(C) working relationships between—

''(i) programs providing independent living services and independent living centers; and

''(ii) the vocational rehabilitation program established under title I, and other programs providing services for individuals with disabilities.

''(4) DATE OF SUBMISSION.—The State shall submit the plan to the Commissioner 90 days before the completion date of the preceding plan. If a State fails to submit such a plan that complies with the requirements of this section, the Commissioner may withhold financial assistance under this chapter until such time as the State submits such a plan.

''(b) STATEWIDE INDEPENDENT LIVING COUNCIL.—The plan shall provide for the establishment of a Statewide Independent Living Council in accordance with section 705.

''(c) DESIGNATION OF STATE UNIT.—The plan shall designate the designated State unit of such State as the agency that, on behalf of the State, shall—

''(1) receive, account for, and disburse funds received by the State under this chapter based on the plan;

''(2) provide administrative support services for a program under part B, and a program under part C in a case in which the program is administered by the State under section 723;

''(3) keep such records and afford such access to such records as the Commissioner finds to be necessary with respect to the programs; and

''(4) submit such additional information or provide such assurances as the Commissioner may require with respect to the programs.

''(d) OBJECTIVES.—The plan shall—

''(1) specify the objectives to be achieved under the plan and establish timelines for the achievement of the objectives; and

''(2) explain how such objectives are consistent with and further the purpose of this chapter.

''(e) INDEPENDENT LIVING SERVICES.—The plan shall provide that the State will provide independent living services under this chapter to individuals with significant disabilities, and will provide the services to such an individual in accordance with an independent living plan mutually agreed upon by an appropriate staff member of the service provider and the individual, unless the individual signs a waiver stating that such a plan is unnecessary.

''(f) SCOPE AND ARRANGEMENTS.—The plan shall describe the extent and scope of independent living services to be provided under this chapter to meet such objectives. If the State makes arrangements, by grant or contract, for providing such services, such arrangements shall be described in the plan.

''(g) NETWORK.—The plan shall set forth a design for the establishment of a statewide network of centers for independent living that comply with the standards and assurances set forth in section 725.

''(h) CENTERS.—In States in which State funding for centers for independent living equals or exceeds the amount of funds allotted to the State under part C, as provided in section 723, the plan shall include policies, practices, and procedures governing the awarding of grants to centers for independent living and oversight of such centers consistent with section 723.

''(i) COOPERATION, COORDINATION, AND WORKING RELATIONSHIPS AMONG VARIOUS ENTITIES.—The plan shall set forth the steps that will be taken to maximize the cooperation, coordination, and working relationships among—

''(1) the independent living rehabilitation service program, the Statewide Independent Living Council, and centers for independent living; and

''(2) the designated State unit, other State agencies represented on such Council, other councils that address the needs of specific disability populations and issues, and other public and private entities determined to be appropriate by the Council.

''(j) COORDINATION OF SERVICES.—The plan shall describe how services funded under this chapter will be coordinated with, and complement, other services, in order to avoid unnecessary duplication with other Federal, State, and local programs.

''(k) COORDINATION BETWEEN FEDERAL AND STATE SOURCES.—The plan shall describe efforts to coordinate Federal and State funding for centers for independent living and independent living services.

''(l) OUTREACH.—With respect to services and centers funded under this chapter, the plan shall set forth steps to be taken regarding outreach to populations that are unserved or underserved by programs under this title, including minority groups and urban and rural populations.

''(m) REQUIREMENTS.—The plan shall provide satisfactory assurances that all recipients of financial assistance under this chapter will—

''(1) notify all individuals seeking or receiving services under this chapter about the availability of the client assistance program under section 112, the purposes of the services provided under such program, and how to contact such program;

''(2) take affirmative action to employ and advance in employment qualified individuals with disabilities on the same terms and conditions required with respect to the employment of such individuals under the provisions of section 503;

''(3) adopt such fiscal control and fund accounting procedures as may be necessary to ensure the proper disbursement of and accounting for funds paid to the State under this chapter;

''(4)(A) maintain records that fully disclose—

''(i) the amount and disposition by such recipient of the proceeds of such financial assistance;

''(ii) the total cost of the project or undertaking in connection with which such financial assistance is given or used; and

''(iii) the amount of that portion of the cost of the project or undertaking supplied by other sources;

''(B) maintain such other records as the Commissioner determines to be appropriate to facilitate an effective audit;

''(C) afford such access to records maintained under subparagraphs (A) and (B) as the Commissioner determines to be appropriate; and

''(D) submit such reports with respect to such records as the Commissioner determines to be appropriate;

''(5) provide access to the Commissioner and the Comptroller General or any of their duly authorized representatives, for the purpose of conducting audits and examinations, of any books, documents, papers, and records of the recipients that are pertinent to the financial assistance received under this chapter; and

''(6) provide for public hearings regarding the contents of the plan during both the formulation and review of the plan.

''(n) EVALUATION.—The plan shall establish a method for the periodic evaluation of the effectiveness of the plan in meeting the objectives established in subsection (d), including evaluation of satisfaction by individuals with disabilities.

"SEC. 705. STATEWIDE INDEPENDENT LIVING COUNCIL.

''(a) ESTABLISHMENT.—To be eligible to receive financial assistance under this chapter, each State shall establish a Statewide Independent Living Council (referred to in this section as the 'Council'). The Council shall not be established as an entity within a State agency.

''(b) COMPOSITION AND APPOINTMENT.—

''(1) APPOINTMENT.—Members of the Council shall be appointed by the Governor. The Governor shall select members after soliciting recommendations from representatives of organizations representing a broad range of individuals with disabilities and organizations interested in individuals with disabilities.

''(2) COMPOSITION.—The Council shall include—

''(A) at least one director of a center for independent living chosen by the directors of centers for independent living within the State;

''(B) as ex officio, nonvoting members—

''(i) a representative from the designated State unit; and

''(ii) representatives from other State agencies that provide services for individuals with disabilities; and

''(C) in a State in which 1 or more projects are carried out under section 121, at least 1 representative of the directors of the projects.

''(3) ADDITIONAL MEMBERS.—The Council may include—

''(A) other representatives from centers for independent living;

''(B) parents and guardians of individuals with disabilities;

''(C) advocates of and for individuals with disabilities;

''(D) representatives from private businesses;

''(E) representatives from organizations that provide services for individuals with disabilities; and

''(F) other appropriate individuals.

''(4) QUALIFICATIONS.—

''(A) IN GENERAL.—The Council shall be composed of members—

''(i) who provide statewide representation;

''(ii) who represent a broad range of individuals with disabilities from diverse backgrounds;

''(iii) who are knowledgeable about centers for independent living and independent living services; and

''(iv) a majority of whom are persons who are—

''(I) individuals with disabilities described in section 7(20)(B); and

''(II) not employed by any State agency or center for independent living.

''(B) VOTING MEMBERS.—A majority of the voting members of the Council shall be—

''(i) individuals with disabilities described in section 7(20)(B); and

''(ii) not employed by any State agency or center for independent living.

''(5) CHAIRPERSON.—

''(A) IN GENERAL.—Except as provided in subparagraph (B), the Council shall select a chairperson from among the voting membership of the Council.

''(B) DESIGNATION BY GOVERNOR.—In States in which the Governor does not have veto power pursuant to State law, the Governor shall designate a voting member of the Council to serve as the chairperson of the Council or shall require the Council to so designate such a voting member.

''(6) TERMS OF APPOINTMENT.—

''(A) LENGTH OF TERM.—Each member of the Council shall serve for a term of 3 years, except that—

''(i) a member appointed to fill a vacancy occurring prior to the expiration of the term for which a predecessor was appointed, shall be appointed for the remainder of such term; and

''(ii) the terms of service of the members initially appointed shall be (as specified by the Governor) for such fewer number of years as will provide for the expiration of terms on a staggered basis.

''(B) NUMBER OF TERMS.—No member of the Council may serve more than two consecutive full terms.

''(7) VACANCIES.—

''(A) IN GENERAL.—Except as provided in subparagraph (B), any vacancy occurring in the membership of the Council shall be filled in the same manner as the original appointment. The vacancy shall not affect the power of the remaining members to execute the duties of the Council.

''(B) DELEGATION.—The Governor may delegate the authority to fill such a vacancy to the remaining voting members of the Council after making the original appointment.

''(c) DUTIES.—The Council shall—

''(1) jointly develop and sign (in conjunction with the designated State unit) the State plan required in section 704;

''(2) monitor, review, and evaluate the implementation of the State plan;

''(3) coordinate activities with the State Rehabilitation Council established under section 105, if the State has such a Council, or the commission described in section 101(a)(21)(A), if the State has such a commission, and councils that address the needs of specific disability populations and issues under other Federal law;

''(4) ensure that all regularly scheduled meetings of the Statewide Independent Living Council are open to the public and sufficient advance notice is provided; and

''(5) submit to the Commissioner such periodic reports as the Commissioner may reasonably request, and keep such records, and afford such access to such records, as the Commissioner finds necessary to verify such reports.

''(d) HEARINGS AND FORUMS.—The Council is authorized to hold such hearings and forums as the Council may determine to be necessary to carry out the duties of the Council.

''(e) PLAN.—

''(1) IN GENERAL.—The Council shall prepare, in conjunction with the designated State unit, a plan for the provision of such resources, including such staff and personnel, as may be necessary and sufficient to carry out the functions of the Council under this section, with funds made available under this chapter, and under section 110 (consistent with section 101(a)(18)), and from other public and private sources. The resource plan shall, to the maximum extent possible, rely on the use of resources in existence during the period of implementation of the plan.

''(2) SUPERVISION AND EVALUATION.—Each Council shall, consistent with State law, supervise and evaluate such staff and other personnel as may be necessary to carry out the functions of the Council under this section.

''(3) CONFLICT OF INTEREST.—While assisting the Council in carrying out its duties, staff and other personnel shall not be assigned duties by the designated State agency or any other agency or office of the State, that would create a conflict of interest.

''(f) COMPENSATION AND EXPENSES.—The Council may use such resources to reimburse members of the Council for reasonable and necessary expenses of attending Council meetings and performing Council duties (including child care and personal assistance services), and to pay compensation to a member of the Council, if such member is not employed or must forfeit wages from other employment, for each day the member is engaged in performing Council duties.

''SEC. 706. RESPONSIBILITIES OF THE COMMISSIONER.

''(a) APPROVAL OF STATE PLANS.—

''(1) IN GENERAL.—The Commissioner shall approve any State plan submitted under section 704 that the Commissioner determines meets the requirements of section 704, and shall disapprove any such plan that does not meet such requirements, as soon as practicable after receiving the plan. Prior to such disapproval, the Commissioner shall notify the State of the intention to disapprove the plan, and shall afford such State reasonable notice and opportunity for a hearing.

''(2) PROCEDURES.—

''(A) IN GENERAL.—Except as provided in subparagraph (B), the provisions of subsections (c) and (d) of section 107 shall apply to any State plan submitted to the Commissioner under section 704.

''(B) APPLICATION.—For purposes of the application described in subparagraph (A), all references in such provisions—

''(i) to the Secretary shall be deemed to be references to the Commissioner; and

''(ii) to section 101 shall be deemed to be references to section 704.

''(b) INDICATORS.—Not later than October 1, 1993, the Commissioner shall develop and publish in the Federal Register indicators of minimum compliance consistent with the standards set forth in section 725.

''(c) ONSITE COMPLIANCE REVIEWS.—

''(1) REVIEWS.—The Commissioner shall annually conduct onsite compliance reviews of at least 15 percent of the centers for independent living that receive funds under section 722 and shall periodically conduct such a review of each such center. The Commissioner shall annually conduct onsite compliance reviews of at least one-third of the designated State units that receive funding under section 723, and, to the extent necessary to determine the compliance of such a State unit with subsections (f) and (g) of section 723, centers that receive funding under section 723 in such State. The Commissioner shall select the centers and State units described in this paragraph for review on a random basis.

''(2) QUALIFICATIONS OF EMPLOYEES CONDUCTING REVIEWS.—The Commissioner shall—

''(A) to the maximum extent practicable, carry out such a review by using employees of the Department who are knowledgeable about the provision of independent living services;

''(B) ensure that the employee of the Department with responsibility for supervising such a review shall have such knowledge; and

''(C) ensure that at least one member of a team conducting such a review shall be an individual who—

''(i) is not a government employee; and

''(ii) has experience in the operation of centers for independent living.

''(d) REPORTS.—The Commissioner shall include, in the annual report required under section 13, information on the extent to which centers for independent living receiving funds under part C have complied with the standards and assurances set forth in section 725. The Commissioner may identify individual centers for independent living in the analysis. The Commissioner shall report the results of onsite compliance reviews, identifying individual centers for independent living and other recipients of assistance under this chapter.

''PART B—INDEPENDENT LIVING SERVICES

''SEC. 711. ALLOTMENTS.

''(a) IN GENERAL.—

''(1) STATES.—

''(A) POPULATION BASIS.—Except as provided in subparagraphs (B) and (C), from sums appropriated for each fiscal year to carry out this part, the Commissioner shall make an allotment to each State whose State plan has been approved under section 706 of an amount bearing the same ratio to such sums as the population of the State bears to the population of all States.

''(B) MAINTENANCE OF 1992 AMOUNTS.—Subject to the availability of appropriations to carry out this part, the amount of any allotment made under subparagraph (A) to a State for a fiscal year shall not be less than the amount of an allotment made to the State for fiscal year 1992 under part A of this title, as in effect on the day before the date of enactment of the Rehabilitation Act Amendments of 1992.

''(C) MINIMUMS.—Subject to the availability of appropriations to carry out this part, and except as provided in subparagraph (B), the allotment to any State under subparagraph (A) shall be not less than $275,000 or one-third of one percent of the sums made available for the fiscal year for which the allotment is made, whichever is greater, and the allotment of any State under this section for any fiscal year that is less than $275,000 or one-third of one percent of such sums shall be increased to the greater of the two amounts.

''(2) CERTAIN TERRITORIES.—

''(A) IN GENERAL.—For the purposes of paragraph (1)(C), Guam, American Samoa, the United States Virgin Islands, and the Commonwealth of the Northern Mariana Islands shall not be considered to be States.

''(B) ALLOTMENT.—Each jurisdiction described in subparagraph (A) shall be allotted under paragraph (1)(A) not less than one-eighth of one percent of the amounts made available for purposes of this part for the fiscal year for which the allotment is made.

''(3) ADJUSTMENT FOR INFLATION.—For any fiscal year, beginning in fiscal year 1999, in which the total amount appropriated to carry out this part exceeds the total amount appropriated to carry out this part for the preceding fiscal year, the Commissioner shall increase the minimum allotment under paragraph (1)(C) by a percentage that shall not exceed the percentage increase in the total amount appropriated to carry out this part between the preceding fiscal year and the fiscal year involved.

''(b) PROPORTIONAL REDUCTION.—To provide allotments to States in accordance with subsection (a)(1)(B), to provide minimum allotments to States (as increased under subsection (a)(3)) under subsection (a)(1)(C), or to provide minimum allotments to States under subsection (a)(2)(B), the Commissioner shall proportionately reduce the allotments of the remaining States under subsection (a)(1)(A), with such adjustments as may be necessary to prevent the allotment of any such remaining State from being reduced to less than the amount required by subsection (a)(1)(B).

''(c) REALLOTMENT.—Whenever the Commissioner determines that any amount of an allotment to a State for any fiscal year will not be expended by such State in carrying out the provisions of this part, the Commissioner shall make such amount available for carrying out the provisions of this part to one or more of the States that the Commissioner determines will be able to use additional amounts during such year for carrying out such provisions. Any amount made available to a State for any fiscal year pursuant to the preceding sentence shall, for the purposes of this section, be regarded as an increase in the allotment of the State (as determined under the preceding provisions of this section) for such year.

''SEC. 712. PAYMENTS TO STATES FROM ALLOTMENTS.

''(a) PAYMENTS.—From the allotment of each State for a fiscal year under section 711, the State shall be paid the Federal share of the expenditures incurred during such year under its State plan approved under section 706. Such payments may be made (after necessary adjustments on account of previously made overpayments or underpayments) in advance or by way

of reimbursement, and in such installments and on such conditions as the Commissioner may determine.

''(b) FEDERAL SHARE.—

''(1) IN GENERAL.—The Federal share with respect to any State for any fiscal year shall be 90 percent of the expenditures incurred by the State during such year under its State plan approved under section 706.

''(2) NON-FEDERAL SHARE.—The non-Federal share of the cost of any project that receives assistance through an allotment under this part may be provided in cash or in kind, fairly evaluated, including plant, equipment, or services.

''SEC. 713. AUTHORIZED USES OF FUNDS.

''The State may use funds received under this part to provide the resources described in section 705(e), relating to the Statewide Independent Living Council, and may use funds received under this part—

''(1) to provide independent living services to individuals with significant disabilities;

''(2) to demonstrate ways to expand and improve independent living services;

''(3) to support the operation of centers for independent living that are in compliance with the standards and assurances set forth in subsections (b) and (c) of section 725;

''(4) to support activities to increase the capacities of public or nonprofit agencies and organizations and other entities to develop comprehensive approaches or systems for providing independent living services;

''(5) to conduct studies and analyses, gather information, develop model policies and procedures, and present information, approaches, strategies, findings, conclusions, and recommendations to Federal, State, and local policymakers in order to enhance independent living services for individuals with disabilities;

''(6) to train individuals with disabilities and individuals providing services to individuals with disabilities and other persons regarding the independent living philosophy; and

''(7) to provide outreach to populations that are unserved or underserved by programs under this title, including minority groups and urban and rural populations.

''SEC. 714. AUTHORIZATION OF APPROPRIATIONS.

''There are authorized to be appropriated to carry out this part such sums as may be necessary for each of the fiscal years 1999 through 2003.

''PART C—CENTERS FOR INDEPENDENT LIVING

''SEC. 721. PROGRAM AUTHORIZATION.

''(a) IN GENERAL.—From the funds appropriated for fiscal year 1999 and for each subsequent fiscal year to carry out this part, the Commissioner shall allot such sums as may be necessary to States and other entities in accordance with subsections (b) through (d).

''(b) TRAINING.—

''(1) GRANTS; CONTRACTS; OTHER ARRANGEMENTS.—For any fiscal year in which the funds appropriated to carry out this part exceed the funds appropriated to carry out this part for fiscal year 1993, the Commissioner shall first reserve from such excess, to provide training and technical assistance to eligible agencies, centers for independent living, and Statewide Independent Living Councils for such fiscal year, not less than 1.8 percent, and not more than 2 percent, of the funds appropriated to carry out this part for the fiscal year involved.

''(2) ALLOCATION.—From the funds reserved under paragraph (1), the Commissioner shall make grants to, and enter into contracts and other arrangements with, entities that have experience in the operation of centers for independent living to provide such training and technical assistance with respect to planning, developing, conducting, administering, and evaluating centers for independent living.

''(3) FUNDING PRIORITIES.—The Commissioner shall conduct a survey of Statewide Independent Living Councils and centers for independent living regarding training and technical assistance needs in order to determine funding priorities for such grants, contracts, and other arrangements.

''(4) REVIEW.—To be eligible to receive a grant or enter into a contract or other arrangement under this subsection, such an entity shall submit an application to the Commissioner at such time, in such manner, and containing a proposal to provide such training and technical assistance, and containing such additional information as the Commissioner may require. The Commissioner shall provide for peer review of grant applications by panels that include persons who are not government employees and who have experience in the operation of centers for independent living.

''(5) PROHIBITION ON COMBINED FUNDS.—No funds reserved by the Commissioner under this subsection may be combined with funds appropriated under any other Act or part of this Act if the purpose of combining funds is to make a single discretionary grant or a single discretionary payment, unless such funds appropriated under this chapter are separately identified in such grant or payment and are used for the purposes of this chapter.

''(c) IN GENERAL.—

''(1) STATES.—

''(A) POPULATION BASIS.—After the reservation required by subsection (b) has been made, and except as provided in subparagraphs (B) and (C), from the remainder of the amounts appropriated for each such fiscal year to carry out this part, the Commissioner shall make an allotment to each State whose State plan has been approved under section 706 of an amount bearing the same ratio to such remainder as the population of the State bears to the population of all States.

''(B) MAINTENANCE OF 1992 AMOUNTS.—Subject to the availability of appropriations to carry out this part, the amount of any allotment made under subparagraph (A) to a State for a fiscal year shall not be less than the amount of financial assistance received by centers for independent living in the State for fiscal year 1992 under part B of this title, as in effect on the day before the date of enactment of the Rehabilitation Act Amendments of 1992.

''(C) MINIMUMS.—Subject to the availability of appropriations to carry out this part and except as provided in subparagraph (B), for a fiscal year in which the amounts appropriated to carry out this part exceed the amounts appropriated for fiscal year 1992 to carry out part B of this title, as in effect on the day before the date of enactment of the Rehabilitation Act Amendments of 1992—

''(i) if such excess is not less than $8,000,000, the allotment to any State under subparagraph (A) shall be not less than $450,000 or one-third of one percent of the sums made available for the fiscal year for which the allotment is made, whichever is greater, and the allotment of any State under this section for any fiscal year that is less than $450,000 or one-third of one percent of such sums shall be increased to the greater of the two amounts;

''(ii) if such excess is not less than $4,000,000 and is less than $8,000,000, the allotment to any State under subparagraph (A) shall be not less than $400,000 or one-third of one percent of the sums made available for the fiscal year for which the allotment is made, whichever is greater, and the allotment of any State under this section for any fiscal year that is less than $400,000 or one-third of one percent of such sums shall be increased to the greater of the two amounts; and

''(iii) if such excess is less than $4,000,000, the allotment to any State under subparagraph (A) shall approach, as nearly as possible, the greater of the two amounts described in clause (ii).

''(2) CERTAIN TERRITORIES.—

''(A) IN GENERAL.—For the purposes of paragraph (1)(C), Guam, American Samoa, the United States Virgin Islands, and the Commonwealth of the Northern Mariana Islands shall not be considered to be States.

''(B) ALLOTMENT.—Each jurisdiction described in subparagraph (A) shall be allotted under paragraph (1)(A) not less than one-eighth of one percent of the remainder for the fiscal year for which the allotment is made.

''(3) ADJUSTMENT FOR INFLATION.—For any fiscal year, beginning in fiscal year 1999, in which the total amount appropriated to carry out this part exceeds the total amount appropriated to carry out this part for the preceding fiscal year, the Commissioner shall increase the minimum allotment under paragraph (1)(C) by a percentage that shall not exceed the percentage increase in the total amount appropriated to carry out this part between the preceding fiscal year and the fiscal year involved.

''(4) PROPORTIONAL REDUCTION.—To provide allotments to States in accordance with paragraph (1)(B), to provide minimum allotments to States (as increased under paragraph (3)) under paragraph (1)(C), or to provide minimum allotments to States under paragraph (2)(B), the Commissioner shall proportionately reduce the allotments of the remaining States under paragraph (1)(A), with such adjustments as may be necessary to prevent the allotment of any such remaining State from being reduced to less than the amount required by paragraph (1)(B).

''(d) REALLOTMENT.—Whenever the Commissioner determines that any amount of an allotment to a State for any fiscal year will not be expended by such State for carrying out the provisions of this part, the Commissioner shall make such amount available for carrying out the provisions of this part to one or more of the States that the Commissioner determines will be able to use additional amounts during such year for carrying out such provisions. Any amount made available to a State for any fiscal year pursuant to the preceding sentence shall, for the purposes of this section, be regarded as an increase in the allotment of the State (as determined under the preceding provisions of this section) for such year.

''SEC. 722. GRANTS TO CENTERS FOR INDEPENDENT LIVING IN STATES IN WHICH FEDERAL FUNDING EXCEEDS STATE FUNDING.

''(a) ESTABLISHMENT.—

''(1) IN GENERAL.—Unless the director of a designated State unit awards grants under section 723 to eligible agencies in a State for a fiscal year, the Commissioner shall award grants under this section to such eligible agencies for such fiscal year from the amount of funds allotted to the State under subsection (c) or (d) of section 721 for such year.

''(2) GRANTS.—The Commissioner shall award such grants, from the amount of funds so allotted, to such eligible agencies for the planning, conduct, administration, and evaluation of centers for independent living that comply with the standards and assurances set forth in section 725.

''(b) ELIGIBLE AGENCIES.—In any State in which the Commissioner has approved the State plan required by section 704, the Commissioner may make a grant under this section to any eligible agency that—

''(1) has the power and authority to carry out the purpose of this part and perform the functions set forth in section 725 within a community and to receive and administer funds under this part, funds and contributions from private or public sources that may be used in support of a center for independent living, and funds from other public and private programs;

''(2) is determined by the Commissioner to be able to plan, conduct, administer, and evaluate a center for independent living consistent with the standards and assurances set forth in section 725; and

''(3) submits an application to the Commissioner at such time, in such manner, and containing such information as the Commissioner may require.

''(c) EXISTING ELIGIBLE AGENCIES.—In the administration of the provisions of this section, the Commissioner shall award grants to any eligible agency that has been awarded a grant under this part by September 30, 1997, unless the Commissioner makes a finding that the agency involved fails to meet program and fiscal standards and assurances set forth in section 725.

''(d) NEW CENTERS FOR INDEPENDENT LIVING.—

''(1) IN GENERAL.—If there is no center for independent living serving a region of the State or a region is underserved, and the increase in the allotment of the State is sufficient to support an additional center for independent living in the State, the Commissioner may award a grant under this section to the most qualified applicant proposing to serve such region, consistent with the provisions in the State plan setting forth the design of the State for establishing a statewide network of centers for independent living.

''(2) SELECTION.—In selecting from among applicants for a grant under this section for a new center for independent living, the Commissioner—

''(A) shall consider comments regarding the application, if any, by the Statewide Independent Living Council in the State in which the applicant is located;

''(B) shall consider the ability of each such applicant to operate a center for independent living based on—

''(i) evidence of the need for such a center;

''(ii) any past performance of such applicant in providing services comparable to independent living services;

''(iii) the plan for satisfying or demonstrated success in satisfying the standards and the assurances set forth in section 725;

''(iv) the quality of key personnel and the involvement of individuals with significant disabilities;

''(v) budgets and cost-effectiveness;

''(vi) an evaluation plan; and

''(vii) the ability of such applicant to carry out the plans; and

''(C) shall give priority to applications from applicants proposing to serve geographic areas within each State that are currently unserved or underserved by independent living programs, consistent with the provisions of the State plan submitted under section 704 regarding establishment of a statewide network of centers for independent living.

''(3) CURRENT CENTERS.—Notwithstanding paragraphs (1) and (2), a center for independent living that receives assistance under part B for a fiscal year shall be eligible for a grant for the subsequent fiscal year under this subsection.

''(e) ORDER OF PRIORITIES.—The Commissioner shall be guided by the following order of priorities in allocating funds among centers for independent living within a State, to the extent funds are available:

''(1) The Commissioner shall support existing centers for independent living, as described in subsection (c), that comply with the standards and assurances set forth in section 725, at the level of funding for the previous year.

''(2) The Commissioner shall provide for a cost-of-living increase for such existing centers for independent living.

''(3) The Commissioner shall fund new centers for independent living, as described in subsection (d), that comply with the standards and assurances set forth in section 725.

''(f) NONRESIDENTIAL AGENCIES.—A center that provides or manages residential housing after October 1, 1994, shall not be considered to be an eligible agency under this section.

''(g) REVIEW.—

''(1) IN GENERAL.—The Commissioner shall periodically review each center receiving funds under this section to determine whether such center is in compliance with the standards and assurances set forth in section 725. If the Commissioner determines that any center receiving funds under this section is not in compliance with the standards and assurances set forth in section 725, the Commissioner shall immediately notify such center that it is out of compliance.

''(2) ENFORCEMENT.—The Commissioner shall terminate all funds under this section to such center 90 days after the date of such notification unless the center submits a plan to achieve compliance within 90 days of such notification and such plan is approved by the Commissioner.

''SEC. 723. GRANTS TO CENTERS FOR INDEPENDENT LIVING IN STATES IN WHICH STATE FUNDING EQUALS OR EXCEEDS FEDERAL FUNDING.

''(a) ESTABLISHMENT.—

''(1) IN GENERAL.—

''(A) INITIAL YEAR.—

''(i) DETERMINATION.—The director of a designated State unit, as provided in paragraph (2), or the Commissioner, as provided in paragraph (3), shall award grants under this section for an initial fiscal year if the Commissioner determines that the amount of State funds that were earmarked by a State for a preceding fiscal year to support the general operation of centers for independent living meeting the requirements of this part equaled or exceeded the amount of funds allotted to the State under subsection (c) or (d) of section 721 for such year.

''(ii) GRANTS.—The director or the Commissioner, as appropriate, shall award such grants, from the amount of funds so allotted for the initial fiscal year, to eligible agencies in the State for the planning, conduct, administration, and evaluation of centers for independent living that comply with the standards and assurances set forth in section 725.

''(iii) REGULATION.—The Commissioner shall by regulation specify the preceding fiscal year with respect to which the Commissioner will make the determinations described in clause (i) and subparagraph (B), making such adjustments as may be necessary to accommodate State funding cycles such as 2-year funding cycles or State fiscal years that do not coincide with the Federal fiscal year.

''(B) SUBSEQUENT YEARS.—For each year subsequent to the initial fiscal year described in subparagraph (A), the director of the designated State unit shall continue to have the authority to award such grants under this section if the Commissioner determines that the State continues to earmark the amount of State funds described in subparagraph (A)(i). If the State does not continue to earmark such an amount for a fiscal year, the State shall be ineligible to make grants under this section after a final year following such fiscal year, as defined in accordance with regulations established by the Commissioner, and for each subsequent fiscal year.

''(2) GRANTS BY DESIGNATED STATE UNITS.—In order for the designated State unit to be eligible to award the grants described in paragraph (1) and carry out this section for a fiscal year with respect to a State, the designated State agency shall submit an application to the Commissioner at such time, and in such manner as the Commissioner may require, including information about the amount of State funds described in paragraph (1) for the preceding fiscal year. If the Commissioner makes a determination described in subparagraph (A)(i) or (B), as appropriate, of paragraph (1), the Commissioner shall approve the application and designate the director of the designated State unit to award the grant and carry out this section.

''(3) GRANTS BY COMMISSIONER.—If the designated State agency of a State described in paragraph (1) does not submit and obtain approval of an application under paragraph (2), the Commissioner shall award the grant described in paragraph (1) to eligible agencies in the State in accordance with section 722.

''(b) ELIGIBLE AGENCIES.—In any State in which the Commissioner has approved the State plan required by section 704, the director of the designated State unit may award a grant under this section to any eligible agency that—

''(1) has the power and authority to carry out the purpose of this part and perform the functions set forth in section 725 within a community and to receive and administer funds under this part, funds and contributions from private or public sources that may be used in support of a center for independent living, and funds from other public and private programs;

''(2) is determined by the director to be able to plan, conduct, administer, and evaluate a center for independent living, consistent with the standards and assurances set forth in section 725; and

''(3) submits an application to the director at such time, in such manner, and containing such information as the head of the designated State unit may require.

''(c) EXISTING ELIGIBLE AGENCIES.—In the administration of the provisions of this section, the director of the designated State unit shall award grants under this section to any eligible agency that has been awarded a grant under this part by September 30, 1997, unless the director makes a finding that the agency involved fails to comply with the standards and assurances set forth in section 725.

''(d) NEW CENTERS FOR INDEPENDENT LIVING.—

''(1) IN GENERAL.—If there is no center for independent living serving a region of the State or the region is unserved or underserved, and the increase in the allotment of the State is sufficient to support an additional center for independent living in the State, the director of the designated State unit may award a grant under this section from among eligible agencies, consistent with the provisions of the State plan under section 704 setting forth the design of the State for establishing a statewide network of centers for independent living.

''(2) SELECTION.—In selecting from among eligible agencies in awarding a grant under this part for a new center for independent living—

''(A) the director of the designated State unit and the chairperson of, or other individual designated by, the Statewide Independent Living Council acting on behalf of and at the direction of the Council, shall jointly appoint a peer review committee that shall rank applications in accordance with the standards and assurances set forth in section 725 and criteria jointly established by such director and such chairperson or individual;

''(B) the peer review committee shall consider the ability of each such applicant to operate a center for independent living, and shall recommend an applicant to receive a grant under this section, based on—

''(i) evidence of the need for a center for independent living, consistent with the State plan;

''(ii) any past performance of such applicant in providing services comparable to independent living services;

''(iii) the plan for complying with, or demonstrated success in complying with, the standards and the assurances set forth in section 725;

''(iv) the quality of key personnel of the applicant and the involvement of individuals with significant disabilities by the applicant;

''(v) the budgets and cost-effectiveness of the applicant;

''(vi) the evaluation plan of the applicant; and

''(vii) the ability of such applicant to carry out the plans; and

''(C) the director of the designated State unit shall award the grant on the basis of the recommendations of the peer review committee if the actions of the committee are consistent with Federal and State law.

''(3) CURRENT CENTERS.—Notwithstanding paragraphs (1) and (2), a center for independent living that receives assistance under part B for a fiscal year shall be eligible for a grant for the subsequent fiscal year under this subsection.

''(e) ORDER OF PRIORITIES.—Unless the director of the designated State unit and the chairperson of the Council or other individual designated by the Council acting on behalf of and

at the direction of the Council jointly agree on another order of priority, the director shall be guided by the following order of priorities in allocating funds among centers for independent living within a State, to the extent funds are available:

''(1) The director of the designated State unit shall support existing centers for independent living, as described in subsection (c), that comply with the standards and assurances set forth in section 725, at the level of funding for the previous year.

''(2) The director of the designated State unit shall provide for a cost-of-living increase for such existing centers for independent living.

''(3) The director of the designated State unit shall fund new centers for independent living, as described in subsection (d), that comply with the standards and assurances set forth in section 725.

''(f) NONRESIDENTIAL AGENCIES.—A center that provides or manages residential housing after October 1, 1994, shall not be considered to be an eligible agency under this section.

''(g) REVIEW.—

''(1) IN GENERAL.—The director of the designated State unit shall periodically review each center receiving funds under this section to determine whether such center is in compliance with the standards and assurances set forth in section 725. If the director of the designated State unit determines that any center receiving funds under this section is not in compliance with the standards and assurances set forth in section 725, the director of the designated State unit shall immediately notify such center that it is out of compliance.

''(2) ENFORCEMENT.—The director of the designated State unit shall terminate all funds under this section to such center 90 days after—

''(A) the date of such notification; or

''(B) in the case of a center that requests an appeal under subsection (i), the date of any final decision under subsection (i),

unless the center submits a plan to achieve compliance within 90 days and such plan is approved by the director, or if appealed, by the Commissioner.

''(h) ONSITE COMPLIANCE REVIEW.—The director of the designated State unit shall annually conduct onsite compliance reviews of at least 15 percent of the centers for independent living that receive funding under this section in the State. Each team that conducts onsite compliance review of centers for independent living shall include at least one person who is not an employee of the designated State agency, who has experience in the operation of centers for independent living, and who is jointly selected by the director of the designated State unit and the chairperson of or other individual designated by the Council acting on behalf of and at the direction of the Council. A copy of this review shall be provided to the Commissioner.

''(i) ADVERSE ACTIONS.—If the director of the designated State unit proposes to take a significant adverse action against a center for independent living, the center may seek mediation and conciliation to be provided by an individual or individuals who are free of conflicts of interest identified by the chairperson of or other individual designated by the Council. If the issue is not resolved through the mediation and conciliation, the center may appeal the proposed adverse action to the Commissioner for a final decision.

''SEC. 724. CENTERS OPERATED BY STATE AGENCIES.

''A State that receives assistance for fiscal year 1993 with respect to a center in accordance with subsection (a) of this section (as in effect on the day before the date of enactment of the Rehabilitation Act Amendments of 1998) may continue to receive assistance under this part for fiscal year 1994 or a succeeding fiscal year if, for such fiscal year—

''(1) no nonprofit private agency—

''(A) submits an acceptable application to operate a center for independent living for the fiscal year before a date specified by the Commissioner; and

''(B) obtains approval of the application under section 722 or 723; or

''(2) after funding all applications so submitted and approved, the Commissioner determines that funds remain available to provide such assistance.

''SEC. 725. STANDARDS AND ASSURANCES FOR CENTERS FOR INDEPENDENT LIVING.

''(a) IN GENERAL.—Each center for independent living that receives assistance under this part shall comply with the standards set out in subsection (b) and provide and comply with the assurances set out in subsection (c) in order to ensure that all programs and activities under this part are planned, conducted, administered, and evaluated in a manner consistent with the purposes of this chapter and the objective of providing assistance effectively and efficiently.

''(b) STANDARDS.—

''(1) PHILOSOPHY.—The center shall promote and practice the independent living philosophy of—

''(A) consumer control of the center regarding decisionmaking, service delivery, management, and establishment of the policy and direction of the center;

''(B) self-help and self-advocacy;

''(C) development of peer relationships and peer role models; and

''(D) equal access of individuals with significant disabilities to society and to all services, programs, activities, resources, and facilities, whether public or private and regardless of the funding source.

''(2) PROVISION OF SERVICES.—The center shall provide services to individuals with a range of significant disabilities. The center shall provide services on a cross-disability basis (for individuals with all different types of significant disabilities, including individuals with significant disabilities who are members of populations that are unserved or underserved by programs under this title). Eligibility for services at any center for independent living shall be determined by the center, and shall not be based on the presence of any one or more specific significant disabilities.

''(3) INDEPENDENT LIVING GOALS.—The center shall facilitate the development and achievement of independent living goals selected by individuals with significant disabilities who seek such assistance by the center.

''(4) COMMUNITY OPTIONS.—The center shall work to increase the availability and improve the quality of community options for independent living in order to facilitate the development and achievement of independent living goals by individuals with significant disabilities.

''(5) INDEPENDENT LIVING CORE SERVICES.—The center shall provide independent living core services and, as appropriate, a combination of any other independent living services.

''(6) ACTIVITIES TO INCREASE COMMUNITY CAPACITY.—The center shall conduct activities to increase the capacity of communities within the service area of the center to meet the needs of individuals with significant disabilities.

''(7) RESOURCE DEVELOPMENT ACTIVITIES.—The center shall conduct resource development activities to obtain funding from sources other than this chapter.

''(c) ASSURANCES.—The eligible agency shall provide at such time and in such manner as the Commissioner may require, such satisfactory assurances as the Commissioner may require, including satisfactory assurances that—

''(1) the applicant is an eligible agency;

''(2) the center will be designed and operated within local communities by individuals with disabilities, including an assurance that the center will have a Board that is the principal governing body of the center and a majority of which shall be composed of individuals with significant disabilities;

''(3) the applicant will comply with the standards set forth in subsection (b);

''(4) the applicant will establish clear priorities through annual and 3-year program and financial planning objectives for the center, including overall goals or a mission for the center, a work plan for achieving the goals or mission, specific objectives, service priorities, and types of services to be provided, and a description that shall demonstrate how the proposed activities of the applicant are consistent with the most recent 3-year State plan under section 704;

''(5) the applicant will use sound organizational and personnel assignment practices, including taking affirmative action to employ and advance in employment qualified individuals with significant disabilities on the same terms and conditions required with respect to the employment of individuals with disabilities under section 503;

''(6) the applicant will ensure that the majority of the staff, and individuals in decisionmaking positions, of the applicant are individuals with disabilities;

''(7) the applicant will practice sound fiscal management, including making arrangements for an annual independent fiscal audit, notwithstanding section 7502(a)(2)(A) of title 31, United States Code;

''(8) the applicant will conduct annual self-evaluations, prepare an annual report, and maintain records adequate to measure performance with respect to the standards, containing information regarding, at a minimum—

''(A) the extent to which the center is in compliance with the standards;

''(B) the number and types of individuals with significant disabilities receiving services through the center;

''(C) the types of services provided through the center and the number of individuals with significant disabilities receiving each type of service;

''(D) the sources and amounts of funding for the operation of the center;

''(E) the number of individuals with significant disabilities who are employed by, and the number who are in management and decisionmaking positions in, the center; and

''(F) a comparison, when appropriate, of the activities of the center in prior years with the activities of the center in the most recent year;

''(9) individuals with significant disabilities who are seeking or receiving services at the center will be notified by the center of the existence of, the availability of, and how to contact, the client assistance program;

''(10) aggressive outreach regarding services provided through the center will be conducted in an effort to reach populations of individuals with significant disabilities that are unserved or underserved by programs under this title, especially minority groups and urban and rural populations;

''(11) staff at centers for independent living will receive training on how to serve such unserved and underserved populations, including minority groups and urban and rural populations;

''(12) the center will submit to the Statewide Independent Living Council a copy of its approved grant application and the annual report required under paragraph (8);

''(13) the center will prepare and submit a report to the designated State unit or the Commissioner, as the case may be, at the end of each fiscal year that contains the information described in paragraph (8) and information regarding the extent to which the center is in compliance with the standards set forth in subsection (b); and

''(14) an independent living plan described in section 704(e) will be developed unless the individual who would receive services under the plan signs a waiver stating that such a plan is unnecessary.

''SEC. 726. DEFINITIONS.

''As used in this part, the term 'eligible agency' means a consumer-controlled, community-

based, cross-disability, nonresidential private nonprofit agency.

"SEC. 727. AUTHORIZATION OF APPROPRIATIONS.

''There are authorized to be appropriated to carry out this part such sums as may be necessary for each of the fiscal years 1999 through 2003.

"CHAPTER 2—INDEPENDENT LIVING SERVICES FOR OLDER INDIVIDUALS WHO ARE BLIND

"SEC. 751. DEFINITION.

''For purposes of this chapter, the term 'older individual who is blind' means an individual age 55 or older whose significant visual impairment makes competitive employment extremely difficult to attain but for whom independent living goals are feasible.

"SEC. 752. PROGRAM OF GRANTS.

''(a) IN GENERAL.—

''(1) AUTHORITY FOR GRANTS.—Subject to subsections (b) and (c), the Commissioner may make grants to States for the purpose of providing the services described in subsection (d) to older individuals who are blind.

''(2) DESIGNATED STATE AGENCY.—The Commissioner may not make a grant under subsection (a) unless the State involved agrees that the grant will be administered solely by the agency described in section 101(a)(2)(A)(i).

''(b) CONTINGENT COMPETITIVE GRANTS.—Beginning with fiscal year 1993, in the case of any fiscal year for which the amount appropriated under section 753 is less than $13,000,000, grants made under subsection (a) shall be—

''(1) discretionary grants made on a competitive basis to States; or

''(2) grants made on a noncompetitive basis to pay for the continuation costs of activities for which a grant was awarded—

''(A) under this chapter; or

''(B) under part C, as in effect on the day before the date of enactment of the Rehabilitation Act Amendments of 1992.

''(c) CONTINGENT FORMULA GRANTS.—

''(1) IN GENERAL.—In the case of any fiscal year for which the amount appropriated under section 753 is equal to or greater than $13,000,000, grants under subsection (a) shall be made only to States and shall be made only from allotments under paragraph (2).

''(2) ALLOTMENTS.—For grants under subsection (a) for a fiscal year described in paragraph (1), the Commissioner shall make an allotment to each State in an amount determined in accordance with subsection (j), and shall make a grant to the State of the allotment made for the State if the State submits to the Commissioner an application in accordance with subsection (i).

''(d) SERVICES GENERALLY.—The Commissioner may not make a grant under subsection (a) unless the State involved agrees that the grant will be expended only for purposes of—

''(1) providing independent living services to older individuals who are blind;

''(2) conducting activities that will improve or expand services for such individuals; and

''(3) conducting activities to help improve public understanding of the problems of such individuals.

''(e) INDEPENDENT LIVING SERVICES.—Independent living services for purposes of subsection (d)(1) include—

''(1) services to help correct blindness, such as—

''(A) outreach services;

''(B) visual screening;

''(C) surgical or therapeutic treatment to prevent, correct, or modify disabling eye conditions; and

''(D) hospitalization related to such services;

''(2) the provision of eyeglasses and other visual aids;

''(3) the provision of services and equipment to assist an older individual who is blind to become more mobile and more self-sufficient;

''(4) mobility training, braille instruction, and other services and equipment to help an older individual who is blind adjust to blindness;

''(5) guide services, reader services, and transportation;

''(6) any other appropriate service designed to assist an older individual who is blind in coping with daily living activities, including supportive services and rehabilitation teaching services;

''(7) independent living skills training, information and referral services, peer counseling, and individual advocacy training; and

''(8) other independent living services.

''(f) MATCHING FUNDS.—

''(1) IN GENERAL.—The Commissioner may not make a grant under subsection (a) unless the State involved agrees, with respect to the costs of the program to be carried out by the State pursuant to such subsection, to make available (directly or through donations from public or private entities) non-Federal contributions toward such costs in an amount that is not less than $1 for each $9 of Federal funds provided in the grant.

''(2) DETERMINATION OF AMOUNT CONTRIBUTED.—Non-Federal contributions required in paragraph (1) may be in cash or in kind, fairly evaluated, including plant, equipment, or services. Amounts provided by the Federal Government, or services assisted or subsidized to any significant extent by the Federal Government, may not be included in determining the amount of such non-Federal contributions.

''(g) CERTAIN EXPENDITURES OF GRANTS.—A State may expend a grant under subsection (a) to carry out the purposes specified in subsection (d) through grants to public and nonprofit private agencies or organizations.

''(h) REQUIREMENT REGARDING STATE PLAN.—The Commissioner may not make a grant under subsection (a) unless the State involved agrees that, in carrying out subsection (d)(1), the State will seek to incorporate into the State plan under section 704 any new methods and approaches relating to independent living services for older individuals who are blind.

''(i) APPLICATION FOR GRANT.—

''(1) IN GENERAL.—The Commissioner may not make a grant under subsection (a) unless an application for the grant is submitted to the Commissioner and the application is in such form, is made in such manner, and contains such agreements, assurances, and information as the Commissioner determines to be necessary to carry out this section (including agreements, assurances, and information with respect to any grants under subsection (j)(4)).

''(2) CONTENTS.—An application for a grant under this section shall contain—

''(A) an assurance that the agency described in subsection (a)(2) will prepare and submit to the Commissioner a report, at the end of each fiscal year, with respect to each project or program the agency operates or administers under this section, whether directly or through a grant or contract, which report shall contain, at a minimum, information on—

''(i) the number and types of older individuals who are blind and are receiving services;

''(ii) the types of services provided and the number of older individuals who are blind and are receiving each type of service;

''(iii) the sources and amounts of funding for the operation of each project or program;

''(iv) the amounts and percentages of resources committed to each type of service provided;

''(v) data on actions taken to employ, and advance in employment, qualified individuals with significant disabilities, including older individuals who are blind; and

''(vi) a comparison, if appropriate, of prior year activities with the activities of the most recent year;

''(B) an assurance that the agency will—

''(i) provide services that contribute to the maintenance of, or the increased independence of, older individuals who are blind; and

''(ii) engage in—

''(I) capacity-building activities, including collaboration with other agencies and organizations;

''(II) activities to promote community awareness, involvement, and assistance; and

''(III) outreach efforts; and

''(C) an assurance that the application is consistent with the State plan for providing independent living services required by section 704.

''(j) AMOUNT OF FORMULA GRANT.—

''(1) IN GENERAL.—Subject to the availability of appropriations, the amount of an allotment under subsection (a) for a State for a fiscal year shall be the greater of—

''(A) the amount determined under paragraph (2); or

''(B) the amount determined under paragraph (3).

''(2) MINIMUM ALLOTMENT.—

''(A) STATES.—In the case of the several States, the District of Columbia, and the Commonwealth of Puerto Rico, the amount referred to in subparagraph (A) of paragraph (1) for a fiscal year is the greater of—

''(i) $225,000; or

''(ii) an amount equal to one-third of one percent of the amount appropriated under section 753 for the fiscal year and available for allotments under subsection (a).

''(B) CERTAIN TERRITORIES.—In the case of Guam, American Samoa, the United States Virgin Islands, and the Commonwealth of the Northern Mariana Islands, the amount referred to in subparagraph (A) of paragraph (1) for a fiscal year is $40,000.

''(3) FORMULA.—The amount referred to in subparagraph (B) of paragraph (1) for a State for a fiscal year is the product of—

''(A) the amount appropriated under section 753 and available for allotments under subsection (a); and

''(B) a percentage equal to the quotient of—

''(i) an amount equal to the number of individuals residing in the State who are not less than 55 years of age; divided by

''(ii) an amount equal to the number of individuals residing in the United States who are not less than 55 years of age.

''(4) DISPOSITION OF CERTAIN AMOUNTS.—

''(A) GRANTS.—From the amounts specified in subparagraph (B), the Commissioner may make grants to States whose population of older individuals who are blind has a substantial need for the services specified in subsection (d) relative to the populations in other States of older individuals who are blind.

''(B) AMOUNTS.—The amounts referred to in subparagraph (A) are any amounts that are not paid to States under subsection (a) as a result of—

''(i) the failure of any State to submit an application under subsection (i);

''(ii) the failure of any State to prepare within a reasonable period of time such application in compliance with such subsection; or

''(iii) any State informing the Commissioner that the State does not intend to expend the full amount of the allotment made for the State under subsection (a).

''(C) CONDITIONS.—The Commissioner may not make a grant under subparagraph (A) unless the State involved agrees that the grant is subject to the same conditions as grants made under subsection (a).

"SEC. 753. AUTHORIZATION OF APPROPRIATIONS.

''There are authorized to be appropriated to carry out this chapter such sums as may be necessary for each of the fiscal years 1999 through 2003.''.

SEC. 411. REPEAL.

Title VIII of the Rehabilitation Act of 1973 (29 U.S.C. 797 et seq.) is repealed.

SEC. 412. HELEN KELLER NATIONAL CENTER ACT.

(a) GENERAL AUTHORIZATION OF APPROPRIATIONS.—The first sentence of section 205(a) of the Helen Keller National Center Act (29 U.S.C. 1904(a)) is amended by striking ''1993 through 1997'' and inserting ''1999 through 2003''.

(b) HELEN KELLER NATIONAL CENTER FEDERAL ENDOWMENT FUND.—The first sentence of section 208(h) of such Act (29 U.S.C. 1907(h)) is

amended by striking ''1993 through 1997'' and inserting ''1999 through 2003''.

(c) REGISTRY.—Such Act (29 U.S.C. 1901 et seq.) is amended by adding at the end the following:

''SEC. 209. REGISTRY.

''(a) IN GENERAL.—To assist the Center in providing services to individuals who are deaf-blind, the Center may establish and maintain registries of such individuals in each of the regional field offices of the network of the Center.

''(b) VOLUNTARY PROVISION OF INFORMATION.—No individual who is deaf-blind may be required to provide information to the Center for any purpose with respect to a registry established under subsection (a).

''(c) NONDISCLOSURE.—The Center (including the network of the Center) may not disclose information contained in a registry established under subsection (a) to any individual or organization that is not affiliated with the Center, unless the individual to whom the information relates provides specific written authorization for the Center to disclose the information.

''(d) PRIVACY RIGHTS.—The requirements of section 552a of title 5, United States Code (commonly known as the 'Privacy Act of 1974') shall apply to personally identifiable information contained in the registries established by the Center under subsection (a), in the same manner and to the same extent as such requirements apply to a record of an agency.

''(e) REMOVAL OF INFORMATION.—On the request of an individual, the Center shall remove all information relating to the individual from any registry established under subsection (a).''.

SEC. 413. PRESIDENT'S COMMITTEE ON EMPLOYMENT OF PEOPLE WITH DISABILITIES.

Section 2(2) of the joint resolution approved July 11, 1949 (63 Stat. 409, chapter 302; 36 U.S.C. 155b(2)) is amended by inserting ''solicit,'' before ''accept,''.

SEC. 414. CONFORMING AMENDMENTS.

(a) RANDOLPH-SHEPPARD ACT.—Section 2(e) of the Act of June 20, 1936 (commonly known as the ''Randolph-Sheppard Act'') (49 Stat. 1559, chapter 638; 20 U.S.C. 107a(e)) is amended by striking ''section 101(a)(1)(A)'' and inserting ''section 101(a)(2)(A)''.

(b) TECHNOLOGY-RELATED ASSISTANCE FOR INDIVIDUALS WITH DISABILITIES ACT OF 1988.—

(1) Section 101(b) of the Technology-Related Assistance for Individuals With Disabilities Act of 1988 (29 U.S.C. 2211(b)) is amended—

(A) in paragraph (7)(A)(ii)(II), by striking ''individualized written rehabilitation program'' and inserting ''individualized plan for employment''; and

(B) in paragraph (9)(B), by striking ''(as defined in section 7(25) of such Act (29 U.S.C. 706(25)))'' and inserting ''(as defined in section 7 of such Act)''.

(2) Section 102(e)(23)(A) of such Act (29 U.S.C. 2212(e)(23)(A)) is amended by striking ''the assurance provided by the State in accordance with section 101(a)(36) of the Rehabilitation Act of 1973 (29 U.S.C. 721(a)(36))'' and inserting ''the portion of the State plan provided by the State in accordance with section 101(a)(21) of the Rehabilitation Act of 1973''.

(c) TITLE 38, UNITED STATES CODE.—Sections 3904(b) and 7303(b) of title 38, United States Code, are amended by striking ''section 204(b)(2) of the Rehabilitation Act of 1973 (29 U.S.C. 762(b)(2)) (relating to the establishment and support of Rehabilitation Engineering Research Centers)'' and inserting ''section 204(b)(3) of the Rehabilitation Act of 1973 (relating to the establishment and support of Rehabilitation Engineering Research Centers)''.

(d) NATIONAL SCHOOL LUNCH ACT.—Section 27(a)(1)(B) of the National School Lunch Act (42 U.S.C. 1769h(a)(1)(B)) is amended by striking ''section 7(8) of the Rehabilitation Act of 1973 (29 U.S.C. 706(8))'' and inserting ''section 7 of the Rehabilitation Act of 1973''.

(e) DOMESTIC VOLUNTEER SERVICE ACT OF 1973.—Section 421(11) of the Domestic Volunteer Service Act of 1973 (42 U.S.C. 5061(11)) is amended by striking ''section 7(8)(B) of the Rehabilitation Act of 1973 (29 U.S.C. 706(8)(B))'' and inserting ''section 7(20)(B) of the Rehabilitation Act of 1973''.

(f) ENERGY CONSERVATION AND PRODUCTION ACT.—Section 412(5) of the Energy Conservation and Production Act (42 U.S.C. 6862(5)) is amended by striking ''a handicapped individual as defined in section 7(7) of the Rehabilitation Act of 1973'' and inserting ''an individual with a disability, as defined in section 7 of the Rehabilitation Act of 1973''.

(g) NATIONAL AND COMMUNITY SERVICE ACT OF 1990.—Section 101(12) of the National and Community Service Act of 1990 (42 U.S.C. 12511(12)) is amended by striking ''section 7(8)(B) of the Rehabilitation Act of 1973 (29 U.S.C. 706(8)(B))'' and inserting ''section 7(20)(B) of the Rehabilitation Act of 1973''.

TITLE V—GENERAL PROVISIONS

SEC. 501. STATE UNIFIED PLAN.

(a) DEFINITION OF APPROPRIATE SECRETARY.—In this section, the term ''appropriate Secretary'' means the head of the Federal agency who exercises administrative authority over an activity or program described in subsection (b).

(b) STATE UNIFIED PLAN.—

(1) IN GENERAL.—A State may develop and submit to the appropriate Secretaries a State unified plan for 2 or more of the activities or programs set forth in paragraph (2), except that the State may include in the plan the activities described in paragraph (2)(A) only with the prior approval of the legislature of the State. The State unified plan shall cover 1 or more of the activities set forth in subparagraphs (A) through (D) of paragraph (2) and may cover 1 or more of the activities set forth in subparagraphs (E) through (O) of paragraph (2).

(2) ACTIVITIES.—The activities and programs referred to in paragraph (1) are as follows:

(A) Secondary vocational education programs authorized under the Carl D. Perkins Vocational and Applied Technology Education Act (20 U.S.C. 2301 et seq.).

(B) Postsecondary vocational education programs authorized under the Carl D. Perkins Vocational and Applied Technology Education Act (20 U.S.C. 2301 et seq.).

(C) Activities authorized under title I.

(D) Activities authorized under title II.

(E) Programs authorized under section 6(d) of the Food Stamp Act of 1977 (7 U.S.C. 2015(d)).

(F) Work programs authorized under section 6(o) of the Food Stamp Act of 1977 (7 U.S.C. 2015(o)).

(G) Activities authorized under chapter 2 of title II of the Trade Act of 1974 (19 U.S.C. 2271 et seq.).

(H) Programs authorized under the Wagner-Peyser Act (29 U.S.C. 49 et seq.).

(I) Programs authorized under title I of the Rehabilitation Act of 1973 (29 U.S.C. 720 et seq.), other than section 112 of such Act (29 U.S.C. 732).

(J) Activities authorized under chapter 41 of title 38, United States Code.

(K) Programs authorized under State unemployment compensation laws (in accordance with applicable Federal law).

(L) Programs authorized under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.).

(M) Programs authorized under title V of the Older Americans Act of 1965 (42 U.S.C. 3056 et seq.).

(N) Training activities carried out by the Department of Housing and Urban Development.

(O) Programs authorized under the Community Services Block Grant Act (42 U.S.C. 9901 et seq.).

(c) REQUIREMENTS.—

(1) IN GENERAL.—The portion of a State unified plan covering an activity or program described in subsection (b) shall be subject to the requirements, if any, applicable to a plan or application for assistance under the Federal statute authorizing the activity or program.

(2) ADDITIONAL SUBMISSION NOT REQUIRED.—A State that submits a State unified plan covering an activity or program described in subsection (b) that is approved under subsection (d) shall not be required to submit any other plan or application in order to receive Federal funds to carry out the activity or program.

(3) COORDINATION.—A State unified plan shall include—

(A) a description of the methods used for joint planning and coordination of the programs and activities included in the unified plan; and

(B) an assurance that the methods included an opportunity for the entities responsible for planning or administering such programs and activities to review and comment on all portions of the unified plan.

(d) APPROVAL BY THE APPROPRIATE SECRETARIES.—

(1) JURISDICTION.—The appropriate Secretary shall have the authority to approve the portion of the State unified plan relating to the activity or program over which the appropriate Secretary exercises administrative authority. On the approval of the appropriate Secretary, the portion of the plan relating to the activity or program shall be implemented by the State pursuant to the applicable portion of the State unified plan.

(2) APPROVAL.—

(A) IN GENERAL.—A portion of the State unified plan covering an activity or program described in subsection (b) that is submitted to the appropriate Secretary under this section shall be considered to be approved by the appropriate Secretary at the end of the 90-day period beginning on the day the appropriate Secretary receives the portion, unless the appropriate Secretary makes a written determination, during the 90-day period, that the portion is not consistent with the requirements of the Federal statute authorizing the activity or program including the criteria for approval of a plan or application, if any, under such statute or the plan is not consistent with the requirements of subsection (c)(3).

(B) SPECIAL RULE.—In subparagraph (A), the term ''criteria for approval of a State plan'', relating to activities carried out under title I or II or under the Carl D. Perkins Vocational and Applied Technology Education Act (20 U.S.C. 2301 et seq.), includes a requirement for agreement between the State and the appropriate Secretary regarding State performance measures, including levels of performance.

SEC. 502. DEFINITIONS FOR INDICATORS OF PERFORMANCE.

(a) IN GENERAL.—In order to ensure nationwide comparability of performance data, the Secretary of Labor and the Secretary of Education, after consultation with the representatives described in subsection (b), shall issue definitions for indicators of performance and levels of performance established under titles I and II.

(b) REPRESENTATIVES.—The representatives referred to in subsection (a) are representatives of States (as defined in section 101) and political subdivisions, business and industry, employees, eligible providers of employment and training activities (as defined in section 101), educators, participants in activities carried out under this Act, State Directors of adult education, providers of adult education, providers of literacy services, individuals with expertise in serving the employment and training needs of eligible youth (as defined in section 101), parents, and other interested parties, with expertise regarding activities authorized under this Act.

SEC. 503. INCENTIVE GRANTS.

(a) IN GENERAL.—Beginning on July 1, 2000, the Secretary shall award a grant to each State that exceeds the State adjusted levels of performance for title I, the expected levels of performance for title II, and the levels of performance for programs under Public Law 88–210 (as

amended; 20 U.S.C. 2301 et seq.), for the purpose of carrying out an innovative program consistent with the requirements of any 1 or more of the programs within title I, title II, or such Public Law, respectively.

(b) APPLICATION.—

(1) IN GENERAL.—The Secretary may provide a grant to a State under subsection (a) only if the State submits an application to the Secretary for the grant that meets the requirements of paragraph (2).

(2) REQUIREMENTS.—The Secretary may review an application described in paragraph (1) only to ensure that the application contains the following assurances:

(A) The legislature of the State was consulted with respect to the development of the application.

(B) The application was approved by the Governor, the eligible agency (as defined in section 203), and the State agency responsible for programs established under Public Law 88–210 (as amended; 20 U.S.C. 2301 et seq.).

(C) The State and the eligible agency, as appropriate, exceeded the State adjusted levels of performance for title I, the expected levels of performance for title II, and the levels of performance for programs under Public Law 88–210 (as amended; 20 U.S.C. 2301 et seq.).

(c) AMOUNT.—

(1) MINIMUM AND MAXIMUM GRANT AMOUNTS.—Subject to paragraph (2), a grant provided to a State under subsection (a) shall be awarded in an amount that is not less than $750,000 and not more than $3,000,000.

(2) PROPORTIONATE REDUCTION.—If the amount available for grants under this section for a fiscal year is insufficient to award a grant to each State or eligible agency that is eligible for a grant, the Secretary shall reduce the minimum and maximum grant amount by a uniform percentage.

SEC. 504. PRIVACY.

(a) SECTION 144 OF THE GENERAL EDUCATION PROVISIONS ACT.—Nothing in this Act shall be construed to supersede the privacy protections afforded parents and students under section 444 of the General Education Provisions Act (20 U.S.C. 1232g), as added by the Family Educational Rights and Privacy Act of 1974 (section 513 of Public Law 93–380; 88 Stat. 571).

(b) PROHIBITION ON DEVELOPMENT OF NATIONAL DATABASE.—

(1) IN GENERAL.—Nothing in this Act shall be construed to permit the development of a national database of personally identifiable information on individuals receiving services under title I of this Act.

(2) LIMITATION.—Nothing in paragraph (1) shall be construed to prevent the proper administration of national programs under subtitles C and D of title I of this Act or to carry out program management activities consistent with title I of this Act.

SEC. 505. BUY-AMERICAN REQUIREMENTS.

(a) COMPLIANCE WITH BUY AMERICAN ACT.—None of the funds made available in this Act may be expended by an entity unless the entity agrees that in expending the funds the entity will comply with the Buy American Act (41 U.S.C. 10a et seq.).

(b) SENSE OF CONGRESS; REQUIREMENT REGARDING NOTICE.—

(1) PURCHASE OF AMERICAN-MADE EQUIPMENT AND PRODUCTS.—In the case of any equipment or product that may be authorized to be purchased with financial assistance provided using funds made available under this Act, it is the sense of Congress that entities receiving the assistance should, in expending the assistance, purchase only American-made equipment and products.

(2) NOTICE TO RECIPIENTS OF ASSISTANCE.—In providing financial assistance using funds made available under this Act, the head of each Federal agency shall provide to each recipient of the assistance a notice describing the statement made in paragraph (1) by Congress.

(c) PROHIBITION OF CONTRACTS WITH PERSONS FALSELY LABELING PRODUCTS AS MADE IN AMERICA.—If it has been finally determined by a court or Federal agency that any person intentionally affixed a label bearing a ''Made in America'' inscription, or any inscription with the same meaning, to any product sold in or shipped to the United States that is not made in the United States, the person shall be ineligible to receive any contract or subcontract made with funds made available in this subtitle, pursuant to the debarment, suspension, and ineligibility procedures described in sections 9.400 through 9.409 of title 48, Code of Federal Regulations as such sections are in effect on the date of enactment of this Act, or pursuant to any successor regulations.

SEC. 506. TRANSITION PROVISIONS.

(a) WORKFORCE INVESTMENT SYSTEMS.—The Secretary of Labor shall take such actions as the Secretary determines to be appropriate to provide for the orderly transition from any authority under the Job Training Partnership Act (29 U.S.C. 1501 et seq.) to the workforce investment systems established under title I of this Act. Such actions shall include the provision of guidance relating to the designation of State workforce investment boards, local workforce investment areas, and local workforce investment boards described in such title.

(b) ADULT EDUCATION AND LITERACY PROGRAMS.—

(1) IN GENERAL.—The Secretary of Education shall take such actions as the Secretary determines to be appropriate to provide for the transition from any authority under the Adult Education Act (20 U.S.C. 1201 et seq.) to any authority under the Adult Education and Family Literacy Act (as added by title II of this Act).

(2) LIMITATION.—The authority to take actions under paragraph (1) shall apply only for the 1-year period beginning on the date of the enactment of this Act.

(c) REGULATIONS.—

(1) INTERIM FINAL REGULATIONS.—Not later than 180 days after the date of the enactment of this Act, the Secretary of Labor shall develop and publish in the Federal Register interim final regulations relating to the transition to, and implementation of, this Act.

(2) FINAL REGULATIONS.—Not later than December 31, 1999, the Secretary shall develop and publish in the Federal Register final regulations relating to the transition to, and implementation of, this Act.

(d) EXPENDITURE OF FUNDS DURING TRANSITION.—

(1) IN GENERAL.—Subject to paragraph (2) and in accordance with regulations developed under subsection (b), States, grant recipients, administrative entities, and other recipients of financial assistance under the Job Training Partnership Act (29 U.S.C. 1501 et seq.) or under this Act may expend funds received under the Job Training Partnership Act or under this Act, prior to July 1, 2000, in order to plan and implement programs and activities authorized under this Act.

(2) ADDITIONAL REQUIREMENTS.—Not to exceed 2 percent of any allotment to any State from amounts appropriated under the Job Training Partnership Act or under this Act for fiscal year 1998 or 1999 may be made available to carry out paragraph (1) and not less than 50 percent of any such amount used to carry out paragraph (1) shall be made available to local entities for the purposes described in such paragraph.

(e) REORGANIZATION.—Not later than 1 year after the date of the enactment of this Act, the Secretary of Labor shall reorganize and align functions within the Department of Labor and within the Employment and Training Administration in order to carry out the duties and responsibilities required by this Act (and related laws) in an effective and efficient manner.

SEC. 507. EFFECTIVE DATE.

Except as otherwise provided in this Act, this Act and the amendments made by this Act, shall take effect on the date of the enactment of this Act.

And the Senate agree to the same.

BILL GOODLING.
HOWARD ''BUCK'' MCKEON.
FRANK RIGGS.
LINSEY GRAHAM.
BOB SCHAFFER.
W.L. CLAY.
M.G. MARTINEZ.
DALE KILDEE.

Managers on the Part of the House.

JIM JEFFORDS.
DAN COATS.
JUDD GREGG.
BILL FRIST.
MIKE DEWINE.
MICHAEL B. ENZI.
TIM HUTCHINSON.
SUSAN COLLINS.
JOHN WARNER.
MITCH MCCONNELL.
EDWARD M. KENNEDY.
PAUL WELLSTONE.
JACK REED.

Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 1385) to consolidate, coordinate, and improve employment, training, literacy, and vocational rehabilitation programs in the United States, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

TITLE I—WORKFORCE INVESTMENT SYSTEMS

WORKFORCE INVESTMENT DEFINITIONS

The House bill provides definitions of the following terms: 'adult education and literacy activities'; 'basic skills deficient'; 'case management'; 'chief elected official'; 'citizenship skills'; 'community based organization'; 'dislocated worker'; 'displaced homemaker'; 'economic development agencies'; 'employment, training, and literacy programs'; 'English literacy program'; 'family'; 'family literacy services'; 'full service eligible provider'; 'Governor'; 'human resource programs'; 'individual of limited English proficiency'; 'individual with a disability'; 'institution of higher education'; 'labor market area'; 'literacy'; 'local benchmarks'; 'local board'; 'local educational agency'; 'local workforce development area'; 'lower living standard income level'; 'nontraditional employment'; 'offender'; 'on-the-job training'; 'outlying area'; 'participant'; 'postsecondary institution'; 'public assistance'; 'rapid response assistance'; 'representatives of employees'; 'school dropout'; 'Secretaries'; 'skill grant'; 'appropriate Secretary'; 'State'; 'State adjusted benchmarks'; 'State benchmark'; 'State educational agency'; 'statewide system'; 'supportive services'; 'termination'; 'unemployed individuals'; 'unit of general local government'; 'veteran'; 'vocational education'; and 'youth corps program'.

The Senate amendment provides definitions of the following terms: 'adult'; 'adult education'; 'area vocational education school'; 'chief elected official'; 'disadvantaged adult'; 'dislocated worker'; 'displaced homemaker'; 'economic development agencies'; 'educational service agency'; 'elementary school'; 'local educational agency'; 'eligible agency'; 'eligible institution'; 'eligible provider'; 'employment and training activity'; 'English literacy program'; 'Governor';

'individual of limited English proficiency'; 'individual with a disability'; 'institution of higher education'; 'literacy'; 'local area'; 'local partnership'; 'local performance measure'; 'low-income individual'; 'lower living standard income level'; 'nontraditional employment'; 'on-the-job-training'; 'out-of-school youth'; 'outlying area'; 'participant'; 'postsecondary educational institution'; 'poverty line'; 'public assistance'; 'rapid response activity'; 'school dropout'; 'secondary school'; 'Secretary'; 'State'; 'State educational agency'; 'State performance measure'; 'statewide partnership'; 'supportive services'; 'tribally controlled community college'; 'unit of general local government'; 'veteran'; 'vocational education'; 'vocational rehabilitation program'; 'vocational student organization'; 'welfare recipient'; 'workforce investment activity'; 'youth'; 'youth activity'; and 'youth partnership'.

In the Conference agreement, the House recedes on the definition of 'adult' with an amendment to change the age from 22 to 18; the Senate recedes on the definition of 'adult education'; the Senate recedes on the definition of 'area vocational education schools'; the Senate recedes on the definition of 'basic skills deficient' with an amendment to add writing to the definition; the Senate recedes on the definition of 'case management'; the House recedes on the definition of 'chief elected official'; the House recedes on the definition of 'citizenship skills'; the Senate recedes on the definition of 'community-based organization' with an amendment to clarify that the community-based organization has demonstrated effectiveness in the field of workforce development; the House and Senate add a definition of 'customized training'; the House recedes on the definition of 'disadvantaged adult'; the House recedes on the definition of 'dislocated worker'; the House recedes on the 'definition of 'displaced homemaker'; the Senate recedes on the definition of 'economic development agencies'; the House recedes on the definition of 'educational service agency'; the Senate recedes on the definition of 'elementary school'; the House recedes on the definition of 'eligible agency'; the Senate recedes on part A, and the House recedes on part B of the definition of 'eligible provider'; the House and Senate have the same definition of 'employment and training activity'; the House recedes on the definition of 'English literacy program'; the Senate recedes on the definition of 'family'; the Senate recedes on the definition of 'family literacy Services'; the House recedes on the definition of 'full service eligible providers'; the Senate recedes on the definition of 'Governor'; the House recedes on the definition of 'human resource programs'; the House recedes on the definition of 'individual of limited English proficiency'; the House recedes on the definition of 'individual with a disability'; the House and Senate have the same definition of 'institution of higher education'; the Senate recedes on the definition of 'labor market area'; the House recedes on the definition of 'literacy'; the House recedes on the definition of 'local area'; the Senate recedes on the definition of 'local board' with an amendment to change the term to 'local workforce investment board'; the House recedes on the definition of 'local benchmarks' with an amendment to change the term to 'local performance measures'; the Senate recedes on the definition of 'local educational agency'; the Senate recedes on the definition of 'local partnership'; the House recedes on the definition of 'low-income individual'; the House recedes on the definition of 'lower living standard income level'; the House and Senate agree to use the current law definition of an older individual to define 'older worker'; the House recedes on the definition of 'nontraditional employment' with an amendment to strike 'in titles I and III' from the definition; the Senate recedes on the definition of 'offender'; the Senate recedes on the definition of 'on-the-job training'; the House recedes on the definition of 'out-of-schoolyouth' with an amendment to remove literacy from the list; the House recedes on the definition of 'outlying area'; the Senate recedes on the definition of 'participant'; the House recedes on the definition of 'post-secondary educational institutions'; the House recedes on the definition of 'poverty line'; the Senate recedes on the definition of 'public assistance'; the House recedes on the definition of 'rapid response activity'; the House recedes on the definition of 'representatives of employees'; the House recedes on the definition of 'school dropout'; the Senate recedes on the definition of 'Secretary' with an amendment to not include the Secretary of Education; the House recedes on the definition of 'secondary school' with an amendment; the House recedes on the definition of 'skill grant'; the Senate recedes on the definition of 'State'; the House recedes on the definition of 'State adjusted benchmarks'; the House recedes on the definition of 'State benchmark'; the Senate recedes on the definition of 'State educational agency'; the House recedes on the definition of 'State performance measure'; the House recedes on the definition of 'Statewide partnership' with an amendment to change the term to 'State board'; the House recedes on the definition of 'Statewide system'; the Senate recedes on the definition of 'supportive services' with an amendment to add housing; the Senate recedes on the definition of 'termination'; the House recedes on the definition of 'tribally controlled community college'; the Senate recedes on the definition of 'unemployed individuals'; the House recedes on the definition of 'unit of general local government'; the House recedes on the definition of 'veteran'; the House and Senate recede to strike the definition of 'vocational education'; the House recedes on the definition of 'vocational rehabilitation program'; the Senate recedes on the definition of 'vocational student organization'; the Senate recedes on the definition of 'welfare recipient'; the House recedes on the definition of 'workforce investment activity'; the House recedes on the definition of 'youth' with an amendment to change the term to 'eligible youth'; the House recedes on the definition of 'youth activity'; the House recedes on the definition of 'youth corps program'; the House recedes with an amendment to the definition of 'youth partnership' to change the term to 'youth council'.

STATE PROVISIONS

State workforce investment boards

The House bill requires States to establish a collaborative process consisting of the Governor, representatives of the State legislature, and representatives appointed by the Governor, with: business; local elected officials; local education agencies; postsecondary institutions; organizations representing participants (including community-based organizations); service providers; parents; employers; State Education Agency; State agencies responsible for vocational rehabilitation; welfare; vocational, adult and post-secondary education; such other agency officials as the Governor may designate (including economic development); and the Veterans' Employment and Training Service, to develop a single State plan for the three block grants, for programs authorized under the Wagner-Peyser Act, and a performance measurement system for the three block grant. The collaborative process would also be used to carry out other duties including designation of local workforce development areas, development of criteria for appointment of local workforce development boards, and development of criteria for the Statewide full-service employment and training delivery system.

The Senate amendment establishes a Statewide partnership with composition similar to the House provision except: (1) it adds individuals with experience relating to youth activities; it expands the illustrative list of additional State agencies to include the Employment Service and others; refers to representatives of ''labor organizations'' rather than ''employees'', and (2) it does not include representatives of local educational agencies, postsecondary institutions, organizations representing participants, service providers, parents, or the State agency responsible for welfare or veterans. In addition, the Senate requires that the chair of the partnership be a representative of business.

The Conference agreement establishes a State Workforce Investment Board composed of the Governor; members of the State legislature; a majority of representatives of business; chief elected officials; representatives of individuals with experience relating to youth activities; representatives of individuals with experience and expertise in the delivery of workforce investment activities (including chief executive officers of community colleges and community-based organizations); and officials of the lead State agency with responsibility for programs, services, and activities carried out by one-stop partners. The Conference agreement adds a conflict of interest provision which prohibits members of the State board from voting on matters regarding the provision of services by such member, matters that would provide direct financial benefit to such member or their immediate family, and other activities considered in conflict of interest by the Governor. Additionally, the Conference agreement contains a sunshine provision that requires information regarding activities of the State board, the plan prior to submission, its membership, and minutes of its formal meetings, to be made available to the public.

State plan

The House bill requires State to submit a 3-year plan that describes the statewide system as well as activities under the Wagner-Peyser Act and the Adult Education Act. The State plan must include long-term goals for the workforce development system and benchmarks for achieving those goals and ensuring continuous improvement.

With respect to approval of the State plan, the House bill provides that the State plan be approved unless the appropriate Secretary makes a written determination within 90 days of receipt that the plan is inconsistent with a specific provision of the Act.

The Senate amendment contains provisions similar to the House bill, except that the plan does not include Adult Education or reference to long-term goals. The Senate amendment includes similar plan controls regarding the identification and description of the State workforce system, descriptions and assurance on criteria for appointments, processes for public comment, and data and reporting.

With respect to approval of the State plan, the Senate amendment provides that the State plan be approved unless the appropriate Secretary makes a written determination within 60 days of receipt that the plan is: (1) inconsistent with the provisions of the title; (2) in the case of the Wagner-Peyser portion of the plan, does not meet the plan approval standard under that Act; or (3) the State and the Secretary have not reached agreement on the expected levels of performance.

The Conference agreement requires States to submit a plan that outlines a 5-year strategy for the statewide workforce investment system, including activities under Wagner-Peyser. The contents of the State plan follow the House and Senate provisions, specifically with respect to a description of the State board, performance accountability, state workforce and economic development information, and identification of local areas. Additionally, States are given the authority to require regional planning by workforce development areas in a single labor market area, economic development region or other appropriate contiguous sub-area of the state.

With respect to approval of the State plan, the Conference agreement generally follows the Senate amendment except to provide that State plans are considered approved unless the Secretary makes a written determination within 90 days of receipt of the State plan that the plan is inconsistent with the provisions of the title.

LOCAL PROVISIONS

Local workforce investment areas

The House bill requires that States desiring to receive a grant under this Act, designate local geographic areas, called workforce development areas, for the purpose of distributing funds. The House bill allows Governors to determine where geographic lines are drawn to form local workforce areas and guarantees automatic designation of single local units of government with populations of 500,000 or more who apply for designation.

The Senate amendment follows the House bill, with the exceptions that units of government with populations of 500,000 or more may request designation only with the agreement of the political subdivisions within the county with populations of 200,000 or more. Additionally, single units of general local government with populations of 200,000 or more that were previously Service Delivery Areas under the Job Training Partnership Act (JTPA) are given an automatic right to request designation as local areas. Such areas may appeal a denial of designation to the Secretary, who may grant the designation if the local area has demonstrated effectiveness and meets certain other criteria.

The Conference agreement requires States to designate local workforce areas through the process described in the State plan, and after consultation which chief elected officials. In making such designations, the Governor must take into consideration several factors such as labor market areas. The Conference agreement also requires the Governor to approve a request for designation from any single unit of general local government with a population of 500,000 or more. Additionally, Governors are required to approve a request for temporary designation, as a local area, from any unit, or combination of units, of local governments with a population of 200,000 or more that was a service delivery area under JTPA and performed successfully and has sustained fiscal integrity. Such temporary designation is limited to 2 years, after which the designation is to be extended until the end of the duration of the State plan if, for the period of the temporary designation, the Governor determines the area substantially met (as defined by the State board) the local performance measures for the area and sustained the fiscal integrity of the program. A process for appeal to the Secretary of Labor is outlined. Additionally, the Governor may approve any request from any unit, or combination of units, of local government, based upon a recommendation of the State board.

Local workforce investment boards

The House bill establishes local workforce development boards which are comprised of a majority of representatives of business; representatives of local educational entities; representatives of community-based organizations, representatives of employees (which may include labor); and other representatives of the public (which may include program participants, parents, individuals with disabilities, older workers, veterans, or organizations serving such individuals). Boards may also include representatives of local welfare agencies, economic development agencies, and the local employment services system.

With respect to functions of local workforce investment boards, the House bill includes development of the local plan, selection of one-stop providers, identification of training providers, budgeting, program oversight, designation of administrative entity, and negotiation of local benchmarks. Additionally, local boards are authorized to act as the fiscal agent to receive and disburse funds, or may designate an alternate administrative entity to serve as the fiscal agent.

The Senate amendment establishes local workforce investment partnerships which are comprised of a majority of representatives of business; chief officers of postsecondary, adult and vocational education; chief officers of labor organizations; and chief officers of economic development agencies. Boards may also include chief officers from one-stop partners and other individuals or entities.

With respect to functions of local workforce investment boards, the Senate amendment adds to the House provisions: (1) promotion of the participation of private sector employment and the use of intermediaries to assist employers in meeting hiring needs; (2) coordination of the workforce investment activities with economic development strategies; and (3) assistance in the development of the labor market information system as functions of the local partnership. The Senate amendment does not include the designation of an administrative entity as a function of the local workforce investment board. Additionally, although the chief local elected official is the fiscal agent for funds allocated to the local area, the fiscal agent is required to disburse funds for workforce investment activities at the direction of the local partnerships.

In addition, the Senate amendment establishes a youth partnership in each local area to work, with the approval of the local partnership, on planning, awarding and oversight of grants for the youth programs. The youth partnerships are required to include parents as well as representatives of the local partnership, youth service agencies, public housing authorities, youth organizations, business, and Job Corps.

The Conference agreement establishes local workforce investment boards whose members are appointed by the chief elected officials and which are comprised of a majority of representatives of business; representatives of local educational entities; representatives of labor organizations; representatives of community-based organizations; representatives of economic development agencies; and representatives of each of the one-stop partners. Boards may also include others as determined by the local elected official. The Conference agreement includes language to require the actions of the Board to be available to the public and includes conflict of interest language for members of the Board.

In the Conference agreement, Governors may require regional planning, sharing of employment statistics, arrangements of the delivery of service, and performance measurements across labor market areas, regardless of workforce investment area designation, in order to ensure maximum efficiency in the delivery of employment and training services.

With respect to functions of local workforce investment boards, the Conference agreement generally follows the House and Senate provisions to include: development of the local plan; designation, certification and oversight of one-stop operators; the provision of grants for youth activities; identification of eligible providers of intensive and training services; development and entry into memorandums of understanding with one-stop partners; development of a budget; negotiation of local performance measures; program oversight and assistance in development of a statewide employment statistics system; and coordination of employer linkages with workforce investment activities and promotion of the participation of private employers with the statewide workforce investment system.

With respect to youth partnerships, the Conference agreement establishes a ''youth council'' similar to the youth partnership established by the Senate amendment. The youth council would operate as a subgroup within each local workforce investment board and would be responsible for the selection and oversight of local youth programs.

Local plan

The House bill requires the local workforce development board and the local elected official to develop a 3-year local strategic plan to be submitted to the Governor for approval, describing the employment and job skills needs of the local area, the employment and training activities to be funded, local performance measures, and the local full service employment and training delivery system. The House bill also includes specific provisions relating to involving others in development of disadvantaged youth programs.

The Senate amendment requires the local workforce investment partnership, in partnership with the local elected official, to develop a local plan similar to that in the House bill, to be submitted to the Governor for approval.

The Conference agreement follows the House and Senate provisions with the exception to allow for development of a 5-year local plan. The submitted local plan is required to include an identification of the workforce investment and job skill needs of the local area; a description of the one-stop delivery system; the local levels of performance; the type and availability of adult and dislocated worker employment and training activities; a description of how the local board will coordinate statewide rapid response activities; a description of available local youth activities; a description of the process for providing for public comment; identification of the local fiscal agent; and other such information required by the Governor.

WORKFORCE INVESTMENT ACTIVITIES PROVIDERS

Establishment of one-stop delivery systems

The House bill requires local workforce development areas to establish a full service employment and training delivery system to provide both individuals and employers access to services through a network of eligible providers. Services are available to participants regardless of where they initially enter the full-service system. The design of the full service system is determined by States and local communities, and requires that there be at least one physical location in each local workforce development area where participants can receive all of the core services, and through which they may access more intensive employment and training services. Any entity located in a local area

may be designated by the local board to provide services. Such entities may include institutions of higher education; local employment services offices established under the Wagner-Peyser Act; private, nonprofit organizations (including community-based organizations); private for-profit entities; agencies of local government; and other organizations of demonstrated effectiveness (which may include local chambers of commerce).

The Senate amendment requires States to establish at least one one-stop customer service center in each local area where the activities of the local participating entities must be accessible to all individuals seeking assistance. One-stop partners are designated by the local partnership and local chief elected official. Each one-stop partner must enter into an operating agreement with the local partnership and the one-stop operator. One-stop operators are selected by the local partnership and the chief elected official and may be public or private entities. One-stop centers administer the individual training accounts and provide core services. Entities eligible to be designated as providers of services are similar to those in the House bill except that nontraditional public secondary schools and area vocational education schools are eligible for designation.

The Conference agreement requires there be established a one-stop delivery system in each local workforce investment area. Such local systems shall provide core services, and access to intensive services, training and related services. Programs carried out by one-stop partners are required to make available to participants, through such system, the core services applicable to such programs administered by the one-stop partner or additional partners. The local board, chief elected official, and Governor are encouraged to retain existing one-stop delivery systems where such systems have been established and are effectively and efficiently meeting the workforce investment needs of the local area, and are performing to the satisfaction of the local board, chief elected official and the Governor. Additionally, the Conference agreement prohibits the designation or certification of elementary and secondary schools as one-stop operators.

Identification of eligible providers of training services

The House bill requires eligible providers of adult or dislocated worker services to submit specified performance-based information relating to outcomes of their participants, such as completion rates, and placement. Any eligible provider may lose eligibility if they fail to meet performance criteria established by the Governor. Additionally providers of on-the-job training and apprenticeship programs registered with the National Apprenticeship Act are exempt from certain requirements.

The Senate amendment is similar to the House bill, but does not include an exemption for registered apprenticeship programs from certain requirements.

In the Conference agreement local boards would be authorized to identify providers of training services at the local level based upon minimum criteria established by the Governor. To be eligible, providers submit an application to the local workforce investment board which includes performance and cost information. The local workforce investment board submits the list of such providers to the State, which may remove a provider in the event such provider fails to meet minimum levels of performance. Otherwise, such provider is considered an eligible provider. A participant with an Individual Training Account (ITA) may attend any provider on the State list. A program operated under title IV, and apprenticeship programs (registered with the National Apprenticeship Act), are automatically eligible for the first year, and may remain on such State list unless they fail to meet the specified performance levels.

Identification of eligible providers of youth activities.

The House bill authorizes the local workforce investment board to identify eligible providers of youth activities. Adult mentoring is required as an element of youth programs.

The Senate amendment authorizes the youth partnership to identify providers of youth activities.

The Conference agreement authorizes the local youth council, working through the local workforce investment board, to competitively award grants or contract to eligible youth providers.

YOUTH ACTIVITIES

Authorization/State allotments

The House bill reserves .25 percent for outlying areas. The remaining 99.75 percent is allotted to States under a formula based on ⅓ unemployment individuals in areas of substantial unemployment (greater than 6.5 percent), ⅓ excess number of unemployed individuals (greater than 4.5 percent), and ⅓ disadvantaged youth. No State is allowed to receive less than 90 percent or more than 130 percent of the amount they received in the preceding fiscal year. A minimum allotment of .25 percent applies for small states.

The Senate amendment contains a trigger when appropriations exceed $1 billion. If the funding level is less than $1 billion, the first .25 percent is reserved for outlying areas. Of the remaining 99.75 percent, the first $15 million is reserved for Native American youth activities. The remaining funds are then allotted to States under a formula based on ⅓ unemployed individuals in areas of substantial unemployment, ⅓ excess number of unemployed individuals, and ⅓ economically disadvantaged youth. If the funding level is in excess of $1 billion, before any amounts are reserved or allotted to States, up to $250 million is assigned for Youth Opportunity grants, $10 million for migrant youth activities, and $10 million for youth academies. The remainder is then allotted per the above specifications. No State is allowed to receive less than 90 percent or more than 130 percent of the amount they received in the preceding fiscal year. A minimum allotment of .40 percent applies for small states.

The Conference agreement generally follows the Senate amendment with the exception that, from funding dedicated for Youth Opportunity grants ($250 million in grants for high-poverty areas when State block grant funding exceeds $1 billion), 4 percent is guaranteed for migrant youth programs. Additionally, the Conference agreement holds all States harmless at 100 percent of their FY 1998 funding allotments. A small State minimum of .3 percent would apply, as long as States receive their FY 1998 allotted levels. For new funds in excess of the FY 1998 funding levels, a .4 percent small State minimum would apply. However, ''small States'' are limited to those defined as ''small States'' under JTPA.

Within State allocations

The House bill reserves 25 percent of youth funds at the State level, 15 percent of which is for State youth activities with the remaining 10 percent to be used to make matching grants for school dropouts. The remaining 75 percent of State grant funds would be driven to the local level. Of that amount 70 percent, or more, would be disbursed based on a formula of ⅓ unemployed, ⅓ excess unemployed, and ⅓ economically disadvantaged adults. The remaining 30 percent, or less, would be disbursed by a method determined through the State collaborative process.

The Senate amendment sends 85 percent of youth State grant funds to the local level in one of two ways as determined by the State. Either all 85 percent of the funds are driven to the local level through a formula based on ⅓ unemployed individuals in areas of substantial unemployment, ⅓ excess number of unemployed individuals, ⅓ disadvantaged adults (min. 90%); or States can choose to send 70 percent or more of those funds through the above formula with up to the remaining 30 percent being disbursed through a formula incorporating other factors relating to excess poverty and employment. This optional formula would be developed through the Statewide partnership and approved by the Secretary. The remaining 15 percent is reserved for Statewide activities. States may reserve not more than 15 percent from each of the three funding streams for statewide activities, with no more than 5 percent of that amount being used for administration. Funds from all three funding streams reserved for statewide activities and administration would be pooled at the state level, with statewide activities benefiting adults, dislocated workers, and youth.

The Conference agreement generally follows the Senate amendment except that consideration of rural, urban and suburban areas are included in the factors relating to excess poverty and employment used in the alternative formula.

Use of funds

The House bill requires programs providing youth activities to include summer employment linked directly to academic and occupational learning; postsecondary educational or training opportunities; an objective assessment of the academic and skill levels and service needs of each participant; service strategies that identify the employment goal; adult mentoring; the integration of academic, occupational and work-based learning opportunities; comprehensive guidance and counseling; and the involvement of employers and parents in the design and implementation of such programs.

The Senate amendment requires youth activities to include a summer jobs program; tutoring and instruction leading to the completion of secondary school; dropout prevention; and alternative secondary school for out-of-school youth in addition to employment skills training.

The Conference agreement program requirements for youth activities follow the House bill and Senate amendment. Program elements shall consist of tutoring, study skills training, and instruction leading to completion of secondary school (including dropout prevention strategies) alternative secondary school services; summer employment opportunities directly linked to academic and occupational learning; paid and unpaid work experiences as appropriate (including internships and job shadowing); occupational skill training; leadership development opportunities; supportive services; adult mentoring; follow-up services; and comprehensive guidance and counseling (which may include drug and alcohol abuse counseling and referral). Additionally, at least 30 percent of youth funds must be used to provide services to out-of-school youth.

Youth opportunity grants

The House bill authorizes, as a demonstration activity, projects that assist in providing comprehensive services to increase the employment rates of out-of-school youth residing in targeted high-poverty areas within Empowerment Zones and Enterprise Communities. In addition, the House bill reserves 10 percent of youth funds at the State level to

be used for out-of-school youth projects in high-poverty areas.

The Senate amendment reserves amounts appropriated for youth in excess of $1 billion (up to $250 million) for Youth Opportunity grants, which the Secretary may provide to assist youth in high-poverty areas located in Empowerment Zones/Enterprise Communities, high-poverty areas located on Indian reservations, or other high-poverty areas designated by the States.

The Conference agreement follows the Senate amendment.

ADULT AND DISLOCATED WORKER EMPLOYMENT AND TRAINING ACTIVITIES

Authorization/State allotments

The House bill establishes a single delivery system for all adults and dislocated workers while maintaining separate funding streams for each. For the Adult funding, .25 percent is reserved for outlying areas. The remaining 99.75 percent is allotted to States under a formula based on ⅓ unemployed individuals in areas of substantial unemployment, ⅓ excess number of unemployed individuals and ⅓ economically disadvantaged adults. No State is allowed to receive less than 90 percent or more than 130 percent of the amount they received in the preceding fiscal year. A minimum allotment of .25 percent applies for small states.

For dislocated workers, the House bill allots 80 percent to States, first reserving .25 percent for outlying areas, under a formula based on ⅓ unemployed individuals in areas of substantial unemployment, ⅓ excess number of unemployment individuals, and ⅓ long-term unemployment. No State is allowed to receive less than 90 percent or more than 130 percent of the amount they received in the preceding fiscal year. A minimum allotment of .25 percent applies for small states. The Department of Labor reserves the remaining 20 percent for skill upgrading and emergency grants.

The Senate amendment reserves .25 percent for outlying areas for adult activities. The remaining 99.75 percent is disbursed to States under a formula based on ⅓ unemployed individuals in areas of substantial unemployment, ⅓ excess number of unemployed individuals, and ⅓ disadvantaged adults. No State is allowed to receive less than 90 percent or more than 130 percent of the amount they received in the preceding fiscal year. A minimum allotment of .40 percent applies for small states.

For dislocated workers, States receive 80 percent of funds disbursed under a formula based on ⅓ unemployed individuals in areas of substantial unemployment, ⅓ excess unemployed individuals and ⅓ long-term (15 weeks or more) unemployment. The Department of Labor is allowed to reserve 20 percent of the amount available for allotment to States for outlying areas, dislocated worker demonstration projects, emergency grants, and dislocated worker activities technical assistance.

The Conference agreement generally follows the Senate amendment except that the Conference agreement holds all States harmless at 100 percent of their FY 1998 funding allotments. A small State minimum of .3 percent would apply, as long as States receive their FY 1998 allotted levels. For new funds in excess of the FY 1998 funding levels, a .4 percent small State minimum would apply. However, ''small States'' are limited to those defined as ''small States'' under JTPA.

Within State allocations

The House bill separately allocates funds to local workforce development areas for both adult and dislocated worker funding streams based upon State-determined formulas. Under the Adult funding stream, 15 percent of funds would be held at the State level for adult activities only. The remaining 85 percent of funds would go to the local level. Of that amount, 70 percent or more would be disbursed based on a formula based on ⅓ unemployed, ⅓ excess unemployed and ⅓ economically disadvantaged adults. The remaining 30 percent, or less, would be disbursed by a method determined through the State collaborative process. The House bill includes a cap of 10 percent for local administration. Additionally, 20 percent of funds may be transferred between the adult and dislocated workers streams with approval of the Governor.

For dislocated workers, the House bill allows the State to reserve up to 30 percent for dislocated worker activities. The remaining 70 percent, or more, would be driven to the local level. Of that amount, 70 percent would be disbursed based on a formula of ⅓ unemployed, ⅓ excess unemployed, and ⅓ economically disadvantaged adults. The remaining 30 percent, or less, would be disbursed by a method determined through the State collaborative process.

The Senate amendment sends 85 percent of adult State grant funds to the local level in one of two ways that the State determines. Either all 85 percent of the funds are driven to the local level through a formula based on ⅓ unemployed individuals in areas of substantial unemployment (greater than 6.5 percent), ⅓ excess number of unemployed individuals, and ⅓ disadvantaged adults (min. 90%); or States can choose to send 70 percent, or more, of those funds through the above formula with up to the remaining 30 percent being disbursed through a formula incorporating other factors relating to excess proverty and employment. This optional formula would be developed through the Statewide partnership and approved by the Secretary. The remaining 15 percent is reserved for Statewide activities.

For dislocated workers, the Senate amendments sends 60 percent of State grant funds to the local level under a formula determined by the Governor to be based on: (1) insured unemployment data, (2) unemployment concentrations, (3) plant closings and mass layoff data, (4) declining industries data, (5) farmer-rancher economic hardship data, and (6) long-term unemployment data. Twenty-five percent of the State grant is to be used for rapid response activities. The remaining 15 percent is reserved for Statewide activities. The Senate amendment allows a 20 percent transfer, at the local level, between the Adult and Dislocated Worker funding streams.

Additionally, the Senate amendment allows States to reserve not more than 15 percent from each of the three funding streams (adult, dislocated and youth) for statewide activities, with no more than 5 percent of that amount being used for administration. Funds from all three funding streams reserved for statewide activities and administrative would be pooled at the State level, with Statewide activities benefiting adults, dislocated workers and youth.

The Conference agreement generally follows the Senate amendment except that consideration of rural, urban and suburban areas is included in the factors relating to excess poverty and employment used in the alternative formula.

Use of funds

In the House bill, services available to adults and dislocated workers and the local level include core services and training services. Training services include basic skills training; occupational skills training; on-the-job training; customized training; programs that combine workplace training with related instruction, which may include cooperative education programs; private sector operated training programs; skill upgrading and retraining; entrepreneurial training; employability training; and customized training conducted with a commitment by an employer to employ an individual upon successful completion of the training. Additionally, participants unable to obtain employment through the core services may receive intensive services. (Intensive services include specialized assessments; individuals counseling and career planning; case management; and follow-up services.)

In the Senate amendment, services available to adults and dislocated workers at the local level include employment skills training; on-the-job training; job readiness training; adult education when combined with one of the other training activities; and other services deemed appropriate by the local partnership. Additionally, core services are provided through the one-stop customer service system. The Senate amendment provides no distinction for intensive services.

The Conference agreement generally follows the House bill including distinguishing intensive services from other types of services provided.

Rapid response activities

The House bill requires rapid response assistance to be provided by the State through an entity designated by the State. The House bill generally follows current law with respect to the activities under rapid response.

The Senate amendment generally follows the House bill with respect to rapid response.

The Conference agreement follows House and Senate provisions.

Individual training accounts

The House bill requires, for adult training, the use of career grants, which are defined as a voucher or credit, through which a participant chooses training among qualified providers. The House bill specifies four exceptions where training may be provided by contract in lieu of career grants: (1) on-the-job training; (2) where there are an insufficient number of qualified providers; (3) where qualified providers are unable to provide effective services to special populations; or (4) where training is to be provided by community-based organizations. Even where there are exceptions, it is required that participants be provided customer choice to the extent possible.

The Senate amendment contains provisions similar to the House bill regarding requirements for customer choice, except the term ''Individual Training Account'' is used in lieu of career grant. The two exceptions allow the use of contracting for training services are (1) on-the-job training; and (2) where the Governor issues a written waiver based on evidence that there are no available private or public providers.

The Conference agreement includes Individual Training Accounts (ITAs). The Conference agreement makes an exception to the use of Individual Training Accounts for on-the-job training; customized training; training services not provided by an eligible provider within the local workforce investment area; and training services offered by community-based organizations or other private organizations that serve ''special participant populations'', defined as those who face multiple barriers to employment (including individuals with substantial language or cultural barriers, offenders, or homeless).

GENERAL PROVISIONS

Performance accountability system

The House bill establishes indicators of performance for all adult, dislocated workers, and youth programs to be applied to

States as well as local areas. There are six core indicators relating to adult and dislocated worker programs, and four core indicators relating to the youth program. The Secretary of Labor is required to negotiate the expected levels of performance for each indicator with each State. States then negotiate expected levels of performance with each local area. Negotiations are to take into account special economic and demographic factors. Technical assistance, sanctions, and incentive funds are tied to actual performance.

The Senate amendment is similar to current law and establishes four core indicators of performance that apply to States and local areas. Indicators of performance apply separately to dislocated workers, economically disadvantaged adults, and youth. Additionally, the Senate amendment specifies performance-related information that is to be reported annually.

The Conference agreement generally follows the House bill and Senate amendment. The Conference agreement establishes four core indicators of performance relating to adults and dislocated workers and three core indicators of performance relating to activities for eligible youth. The process for negotiating expected levels of performance is similar to the process outlined in the House bill. States failing to meet expected performance levels after one year may request technical assistance or assistance in the development of a performance improvement plan. For States failing to meet expected performance levels for two consecutive years, the Secretary may reduce the amount of that State's grant by up to 5 percent. Funds resulting from such a reduction are to be used to provide financial incentives for States exceeding expected levels of performance.

JOB CORPS

The House bill retains Job Corps as a national program, but raises the minimum age to 16. The Secretary is required to consult with States and localities prior to establishing procedures for selecting center operators. As part of the selection process, applicants would need to pass a background check. Selection would be based, in part, on previous performance. The House bill outlines some procedures regarding the closure of centers, as well as provisions regarding the ''zero tolerance'' policy.

The Senate amendment strengthens linkages among Job Corps centers and the State workforce development systems and the local communities in which they are located. Assures that applicants are assigned to Job Corps centers nearest to where they reside, with certain exceptions. The Senate amendment also assures that Job Corps students would learn occupational skills in demand in their ''home'' labor market areas. Job Corps Center performance standards would be established for placement, retention, earning and skill gains of graduates, and students would be provided with follow-up counseling for up to 12 months after graduation.

The Conference agreement generally follows the Senate amendment.

NATIONAL PROGRAMS

Native American programs

The House bill generally follows current law and authorizes programs for Native Americans which can include comprehensive workforce and career development activities and supplemental services.

The Senate amendment generally follows the House bill, with the exception that it maintains the Native American Employment and Training Council from current law.

The Conference agreement generally follows the House and Senate provisions.

Migrant and seasonal farmworker programs

The House bill authorizes a program for migrant and seasonal farmworkers from current law which is authorized to provide comprehensive workforce and career development activities and related services which may include employment, training, educational assistance, literacy assistance, an English literacy program, worker safety training, housing, supportive services, and the continuation of the case management database.

The Senate amendment generally follows the House bill except that it authorizes additional activities, includes dropout prevention activities, follow-up services for employed individuals, self-employment and related business enterprise development education, and technical assistance relating to capacity enhancement. The Senate amendment does not include the provision of housing as an authorized activity.

The Conference agreement follows the Senate amendment with the exception that the provision of housing remains as an authorized activity.

Veterans

The House bill retains the current law which authorizes the Secretary of Labor to conduct programs to meet the needs of ''Vietnam era veterans'' as well as veterans with service-connected disabilities, and veterans who are recently separated from military service.

The Senate amendment broadens the eligibility provision to add veterans with significant barriers to employment and veterans who served on active duty during war or campaign for which badges have been authorized.

The Conference agreement follows the Senate amendment.

Demonstration, pilot, multiservice, research, multistate projects and evaluations

The House bill contains provisions relating to technical assistance, national partnership grants, research, pilots and demonstration grants, and evaluations, that are similar to current law.

The Senate amendment requires the Secretary to develop a strategic plan for setting priorities for demonstrations, pilots, multiservice, research, multistate projects. Requires grants and contracts, under this section, to be awarded through a peer review process for awards over $100,000. Dislocated worker projects are separately authorized; not more than 10 percent of dislocated worker funds reserved for the national emergency grants may be used for such projects.

The Conference agreement generally follows the Senate amendment with the exception that the peer review process applies only to applications for awards in excess of $500,000.

National emergency grants

The House bill makes National Emergency Grants available to provide assistance to dislocated workers.

The Senate amendment expands eligibility for services under the Emergency Grants to include, in addition to dislocated workers, members of the armed forces and certain defense employees that are eligible for services under the current Defense Diversification Program.

The Conference agreement follows the Senate amendment.

Civil rights/Labor standards

The House bill generally incorporates the current law provisions for nondiscrimination; and provisions relating to wages, benefits, health and safety, non-displacement, and grievance procedures.

The Senate amendment also generally incorporates the current law provisions but adds title IX exemptions to the prohibition on sex discrimination and modifies the religious facility exemption consistent with the National and Community Service Act regulations. The Senate amendment also similarly incorporates many of the labor standards from current law.

The Conference agreement generally follows the House and Senate provisions.

Waivers

The House bill includes authority for the Secretary to waive any statutory or regulatory requirements of the adult and youth training provisions of the Act and Wagner-Peyser, with exceptions for labor standards, nondiscrimination, and related provisions.

The Senate amendment clarifies that waivers previously granted to States may continue to be in effect under this Act for the duration of the waiver. Additionally, the Senate amendment includes provisions similar to the House bill with respect to general waivers of statutory or regulatory requirements. The Senate amendment also authorizes workforce flexibility plans to allow States to submit to the Secretary plans under which the State may provide waivers to local areas.

The Conference agreement follows the Senate amendment except for striking all references to ''partnership''.

Drug testing provision

The House bill has no provision.

The Senate amendment requires each eligible provider of training services to administer a drug test (1) on a random basis to individuals who apply to participate in training services, and (2) to participants in training where there is a reasonable suspicion of drug use. Each applicant must agree to submit to such tests and be dismissed from participation if they fail the test.

The Conference agreement strikes the Senate provision and replaces it with language to clarify that States shall not be prohibited from testing job training participants for the use of controlled substances. The Conference agreement stipulates that States may sanction individuals who test positive, as follows: 1) a six month ban from the program for the first positive test; and 2) similar to the Senate amendment, a 2-year ban from the program for subsequent positive tests. Additionally, if States use funds from this Act for such testing, the Conference agreement stipulates that such funds must come from State administrative expenses, which are limited to 5 percent of the total State training allotment.

REPEALERS

The House bill repeals Parts F, G, H, I, and J of title IV of the Job Training Partnership Act; title V of the Job Training Partnership Act; the National Literacy Act of 1991; and sections 303, 304, 305, and 306 of the Rehabilitation Act of 1973.

The Senate amendment repeals the Adult Education Act (20 U.S.C. 1201); Section 204 of the Immigration Reform and Control Act of 1986 (8 U.S.C. 1255a note); title II of Public Law 95–250 (92 Stat. 172); the Displaced Homemakers Self-Sufficiency Assistance Act (29 U.S.C. 2301 et seq.); Section 211 of the Appalachian Regional Development Act of 1965 (40 U.S.C. App. 211); subtitle C of title VII of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11441 et seq.) except section 738 of such title (42 U.S.C. 11448); subchapter I of chapter 421 of title 49, United States Code; the Job Training Partnership Act (29 U.S.C. 1501 et seq.); title VII of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11421 et seq.), except subtitle B and section 738 of such title (42 U.S.C. 11431 et seq. and 11448).

The Conference agreement follows the Senate amendment.

TITLE II—ADULT EDUCATION AND FAMILY LITERACY PROGRAMS

Title

The House bill names this Act the ''Adult Education and Family Literacy Act''.

The Senate amendment names this Act the ''Adult Education and Literacy Act''.

The Conference agreement adopts the House title.

Purpose

The purpose of the House bill is to assist the States to provide educational skills for adults necessary for employment and self-sufficiency, as well as the skills necessary for the educational development of their children.

The purpose of the Senate amendment is to assist the States to provide education and literacy services to adults to enable them to become literate, complete a secondary education, and obtain the education skills necessary for the educational development of their children.

The Conference agreement blends the purposes in the House and Senate bills. It provides that the purpose is to assist adults to become literate and obtain the knowledge and skills necessary for employment and self-sufficiency, assist adults who are parents to obtain the educational skills necessary to become full partners in the educational development of their children and assist adults in the completion of a secondary school education.

Allocation of funds to eligible agencies

The House bill provides an initial allotment of $100,000 for each outlying area and $250,000 for each eligible agency. The additional allotment would be distributed on the basis of a population age 16 through 60, who are without a high school diploma or the equivalent, who are not currently required to be enrolled in school, and who are not currently enrolled in secondary school. No eligible agency allotment would be less than 90 percent of its allotment in the preceding year.

The Senate amendment provides for initial allotments identical to those in the House bill. Remaining funds are to be distributed on the basis of population age 16 and over, who are without a high school diploma, or the equivalent, who are not currently required to be enrolled in school, and who are not currently enrolled in secondary school.

The Conference agreement adopts the House provisions.

Eligible recipients

The House bill specifies those entities eligible to receive grants from the eligible agency. Grants are to be made on a competitive basis and all eligible entities are to have direct and equitable access to funds.

The Senate amendment also specifies those entities eligible to receive grants from the eligible agency and includes language regarding direct and equitable access.

The Conference agreement blends the two lists and specifies the following as entities eligible to receive grants from the eligible agency: a local educational agency; a community-based organization of demonstrated effectiveness; an institution of higher education; volunteer literacy organizations of demonstrated effectiveness; a public or private nonprofit agency; other nonprofit institutions which have an ability to provide literacy services to adults and families; a library; public housing authorities; and a consortium of such agencies; organizations or institutions. The agreement adopts the House language requiring grants to be made on a competitive basis and includes language regarding direct and equitable access to eligible providers, including the use of the same announcement and application process.

Use of funds by eligible agency

The House bill provides that the eligible agency responsible for the administration of adult education and literacy programs would be authorized to spend funds directly for both program administration and other permissible activities. Other uses of eligible agency funds would include: professional development programs; technical assistance; State or regional literacy resource centers; monitoring and evaluation; incentives for coordination and performance awards, curriculum development; other Statewide activities for adult education and literacy; and support services such as transportation and child care. The House bill would require eligible agencies to use not less than 85 percent of available funds for local grants and allows them to reserve not more than 15 percent for State level activities, of which no more than 5 percent or $50,000 could be used for administrative expenses.

The Senate amendment provides that the eligible agency responsible for the administration of adult education and literacy programs which be authorized to spend funds directly for program administration, State leadership activities, and programs for corrections education and other institutionalized persons. State leadership activities would include: professional development, curriculum development, monitoring and evaluation, development of performance measures, integration of literacy instruction with occupational skill training, developing linkages with postsecondary institutions, State or regional literacy resource centers, and other Statewide activities for adult education and literacy. The Senate would require eligible agencies to use not less than 80 percent of available funds for local grants and allows States to use not more than 20 percent for State leadership activities, of which no more than 5 percent of $80,000 could be used for administrative expenses. Of the 80 percent reserved for local grants, the Senate amendment requires that eligible agencies make available not more than 10 percent of the funds reserved for grants to local providers for programs for corrections education and other institutionalized individuals.

The Conference agreement blends the two lists of activities and would include: the establishment or operation of professional development programs to improve the quality of instruction; the provision of technical assistance to eligible providers; the provision of technology assistance, including staff training, to eligible providers; support of State or regional networks of literacy resource centers; monitoring and evaluation of the quality of and the improvement in, activities and services authorized under this section; developing and disseminating curricula; integration of literacy instruction and occupational skill training and promoting linkages with employers; linkages with postsecondary institutions; incentives for coordination and performance awards; other activities of Statewide significance, and coordination with existing support services designed to increase enrollment in, and successful completion of, adult education and literacy activities. It requires eligible agencies to collaborate where possible and avoid duplicating efforts in order to maximize the impact of activities carried out under this Act. The agreement would require eligible agencies to use not less than 82.5 percent of available funds for local grants, and allow eligible agencies to use not more than 12.5 percent for State leadership activities and not more than 5 percent or $65,000 for administrative expenses. The agreement adopts the Senate reservation for corrections education but modifies the program description to encourage dollars to be spent on criminal offenders who will be released within five years and to change the reference to bilingual programs to English literacy programs.

Priorities and preferences

The House bill requires eligible agencies to consider a variety of factors in awarding grants to local providers.

The Senate amendment sets forth a list of priorities and preferences eligible agencies are to consider in funding local adult education and literacy activities.

The Conference agreement merges the two provisions and requires the following factors to be considered when awarding grants to provide: whether or not they are based on sound research; the past effectiveness of the provider in improving the literacy skills of adults and families; the commitment of the provider to serve those most in need of services; whether or not the program is of sufficient intensity and duration for participants to achieve substantial learning gains, and whether the program effectively employs technology, provides learning in real-life contexts, is staffed by well trained personnel, is coordinated with other available resources, maintains a high-quality information management system, funds communities that have a demonstrated need for English literacy programs, and establishes measurable goals for client outcomes.

Use of funds by eligible recipients

The House bill requires eligible recipients receiving a grant to conduct one of the following activities: adult education and literacy services, including services provided on a work site; family services, and English literacy programs. It limits to 5 percent the amount of the grant available for planning, administration, personnel development and interagency coordination.

The Senate amendment requires grants and contracts to eligible recipients to be used for programs or services that meet the purposes of the Adult Education and Literacy Act, such as adult education and literacy services and English literacy programs. It limits to 5 percent the amount recipients could use for planning, administration, personnel development and interagency coordination.

The Conference agreement adopts the House language but modifies it slightly to specifically reference workplace literacy services. Adoption of the House language would, for the first time, specifically allow the use of funds for family literacy programs.

Eligible agency fiscal requirements

The House bill requires eligible agencies to use their federal grants to supplement and not supplant other public funds spent for adult education and literacy activities. It requires the fiscal effort per student or the aggregate expenditures for adult education and literacy activities within the State to be maintained at a level not less than 90 percent of the previous year. Grants to eligible agencies would be reduced in proportion to the amount the eligible agency failed to meet this requirement. One quarter of the federal grant to each eligible agency would be required to be matched with non-federal funds used for adult education and literacy activities.

The Senate amendment contains similar supplement, not supplant language. It requires aggregate expenditures for adult education and literacy to be maintained at a level not less than 90 percent of the previous year but would not permit grants to any eligible agency failing to reach that level. The Senate amendment requires eligible agencies to provide an amount equal to 25 percent of the total amount of funds expended for adult education in the State from non-federal

sources. The Senate amendment allows that eligible agency's share to be in cash or in kind, fairly evaluated.

The Conference agreement adopts the House language on maintenance of effort but amends it to prevent an eligible agency reduction from bringing the per capita expenditure below the national average. The House recedes to the Senate language on supplement not supplant and the State share.

Eligible agency plan requirements

The House bill requires the eligible agency plan to include assurances for the coordination of adult education and job training programs within the State, describe the assessment to determine adult education needs, the use of funds, and an evaluation of program effectiveness. It would also provide assurances concerning direct and equitable access to all eligible recipients and an assurance regarding fiscal requirements of the program. Finally, it requires an assurance that at least one grant will be awarded to providers who offer flexible schedules and necessary support services to enable individuals to participate in adult education and literacy activities.

The Senate amendment would require eligible agencies to submit plans for a 3-year period. Such plans are to include an assessment to determine adult education needs and descriptions of the use of funds, evaluation procedures, the method of selecting local recipients, the measures to be taken to coordinate and avoid duplication of services among various federal education, training and human services programs, a description of the process to be used for public participation and comment with respect to the eligible agency plan and a description of how the eligible agency will develop program strategies for populations such as low-income students, individuals with disabilities, single parents, etc. Each plan would have to provide assurances regarding the fiscal requirements of the program.

The Conference agreement blends the provisions of the House and Senate bills. It adopts language requiring the submission of a 5-year plan. Plan components would include an assessment to determine adult education needs, a description of the use of funds, evaluation procedures, a description of how the eligible agency will develop program strategies for populations such as low-income students, individuals with disabilities, single parents, etc., assurances for the coordination of adult education and job training programs within the State. It adopts House language requiring an assurance that at least one grant will be awarded to providers who offer flexible schedules and necessary support services to enable individuals to participate in adult education and literacy activities except that it is amended to require that an effort be made to coordinate funds for support services prior to paying for them with adult education dollars.

It would also provide assurances concerning direct and equitable access to all eligible recipients and an assurance regarding fiscal requirements of the program. The eligible agency plan would also be required to describe the process used for public participation and comment consistent with the Senate amendment.

Use of phonics

The House bill contains numerous references to the use of instructional practices using phonemic awareness and systematic phonics.

The Senate amendment does not contain similar references.

The Conference agreement adopts the House language but amends such references to include fluency and reading comprehension as well.

National Institute for Literacy

The House bill continues the National Institute for Literacy for purposes of providing national literacy leadership, coordinating literacy services, and serving as a national resource for adult education and family literacy by disseminating information and supporting more effective services. Activities are similar to current law but place an emphasis on support for a national electronic database of information and for a network of State or regional adult literacy resource centers. The administrative structure would remain the same, except that the name of the National Institute Board would be changed to the National Institute for Literacy Advisory Board. The House bill requires the Secretary to reserve 1.5 percent of the amount appropriated, but not more than $6,500,000, for the Institute.

The Senate amendment contains provisions similar to those in the House bill but does not cap funding for the Institute.

The Conference agreement would continue the National Institute for Literacy based on provisions in the House and Senate bills. There are few changes from current law. The Conferees are especially interested in the Institute taking a leadership role in improving reading instruction for youth and adults based on recent research supported by the National Institute for Health and identified by the National Academy of Sciences. The agreement requires the Secretary to reserve 1.5 percent of the amount appropriated, but not more than $8,000,000, for the Institute.

National activities—Department of Education

The House bill would authorize the Secretary to carry out national activities to enhance the quality of adult education and family literacy nationwide, including technical assistance to States for developing and using performance measures, research on adult education methods and effectiveness, evaluation and assessment, and demonstration programs. The House bill would reserve 1.5 percent of the amount appropriated, but not more than $6,500,000 to establish and carry out national leadership and evaluation activities.

The Senate amendment would authorize the Secretary to carry out national leadership and evaluation activities to enhance the quality of adult education and literacy nationwide, including research, demonstration, dissemination, evaluations and assessments, capacity building at the State and local levels, data collection, professional development and technical assistance. The Senate amendment would reserve 1.5 percent of the amount appropriated for national leadership and evaluation activities, but does not cap the amount available.

The Conference agreement blends the House and Senate National leadership activities. Authorized activities would include: technical assistance, dissemination of information on successful practices, improving the quality of adult education and literacy activities, research, demonstration programs, carrying out an independent evaluation and assessment of adult education and literacy activities, support efforts aimed at capacity building, collecting data and other activities to enhance the quality of adult education and literacy nationwide. The agreement requires the Secretary to reserve 1.5 percent of the amount appropriated, but not more than $8,000,000, for national leadership and evaluation activities.

Accountability

The House will requires eligible agencies receiving funds under the Adult Education title to identify, in their plan, indicators and related levels of performance to be used to measure the State's progress in meeting the State's long-term goals. Upon submission of the plan, the Secretary of Education is authorized to negotiate with each eligible agency, the expected levels of performance to be achieved.

The core indicators of performance for adult education and family literacy programs to include measures of achievement in the areas of reading, writing, language acquisition, problem solving, etc.; receipt of a high school diploma or its equivalent; entry into a postsecondary school, job retraining program, employment or career advancement; attainment of the literacy skills and knowledge individuals need to be productive and responsible citizens and become more actively involved with the education of their children, and such other measures as the eligible agency may wish to collect.

Eligible agencies that exceed the benchmarks or demonstrate continuing progress toward meeting them are eligible to receive incentive grant funds.

The Senate amendment contains a similar list of performance measures, including demonstrated improvements in literacy skill levels; attainment of secondary school diplomas or their equivalent, and placement in, retention in, or completion of postsecondary education, training, or unsubsidized employment.

The Conference agreement follows the House bill, although it uses the term ''performance measures'' instead of ''benchmarks.'' It merges the two lists of specific indicators, except that language referring to the literacy skills and knowledge individuals need to be productive and responsible citizens is dropped and ''measures of the success of family literacy programs'' is listed among the other measures eligible agencies may wish to collect.

TITLE III—WORKFORCE INVESTMENT-RELATED ACTIVITIES

WAGNER-PEYSER ACT

Amendments to Wagner-Peyser

The House bill retains a separate authorization and funding stream for Wagner-Peyser. It requires public labor exchange activities to be part of the one-stop system, integrates the Wagner-Peyser plan into the State Workforce Development plan, and amends several sections of the Wagner-Peyser Act.

The Senate amendment also retains a separate authorization and funding stream for Wagner-Peyser and integrates the labor exchange activities and plan into the workforce development system.

The Conference agreement generally follows the House bill and Senate amendment. The Conference agreement follows the Senate amendment with respect to function of the Secretary and approval of the plan.

Employment Statistics

The House bill retains the current labor market information provisions under JTPA.

The Senate amendment streamlines current provisions related to labor market statistics (LMI), strengthening the role of States and localities, and makes such information beneficial to individuals seeking employment.

The Conference agreement generally follows the Senate amendment except it renames the section as ''Employment Statistics''.

21st Century Workforce Commission

The House bill contains no provision.

The Senate amendment establishes the 21st Century Workforce Commission to conduct a study of all matters relating to the information technology workforce in the United States. Composed of 21 members, the Commission is required to submit to the President and Congress their report within 6

months of their first meeting, and terminate within 90 days of that submission.

The Conference Agreement generally follows the Senate amendment with modifications to limit the number of Commission members to 15 (8 business, 1 labor, 2 State and local officials, 3 education, and 1 representing the research community in the field of information technology). The Secretaries of Education and Labor would be ex-officio members of the Commission.

Prohibitions

The House bills includes provisions that no provisions under this Act may be construed to exercise any direction, supervision, or control over the curriculum, program of instruction, administration, or personnel of any educational institution, school, or school system. The House bill further includes a provision clarifying that nothing in this Act shall be construed to provide a local workforce investment board with the authority to mandate curricula for schools.

The Senate agreement includes a prohibition that none of the funds under the Act may be used for activities authorized under the School to Work Opportunities Act. The Senate bill also includes a provision clarifying that no funds under this Act may be use to provide an activity for eligible youth who are not school dropouts if participation in the activity would interfere with or replace the regular academic requirements of the youth.

The Conference agreement generally contains both the House and Senate provisions. Specifically the Conference agreement includes language that ''None of the funds made available under this Act may be used to provide funding under the School-to-Work Opportunities Act of 1994 or to carry out, through programs funded under this Act, activities that were funded under the School-to-Work Opportunities Act of 1994, unless the programs funded under this Act serve only those participants eligible to participate in the programs under this Act.''

TITLE IV—REHABILITATION ACT AMENDMENTS OF 1998

General Provisions

The House bill addresses several definitions including administrative costs, employment outcome, and public safety officer.

The Senate amendment addresses each definition considered by the House and several more definitions including: assessment for determining eligibility and vocational rehabilitation needs, construction, extended services, federal share, independent living core services and independent living services, individual with a disability, individual with a most significant disability, individual's representative/applicant's representative, local workforce investment board, the term ''requires vocational rehabilitation services'', significant disability, statewide workforce investment board, supported employment, supported employment services, underemployed, and workforce investment activities.

The Conference agreement accents the Senate amendment on a majority of definitions with the following few exceptions or qualifications: 1) ''administrative costs'' will be the definition in the current Department of Education regulations; 2) ''construction'' remains unchanged from current law; 3) ''individual's representative/applicant's representative'' does not include the descriptor 'advocate'; 4) the term ''requires vocational rehabilitation services'' is deleted; and 5) the definition of the term ''underemployed'' is eliminated. Those definitions relating back to other titles of the Workforce Investment Act mirror the meanings and definitions given them in those titles.

Reports on Program Outcomes and Evaluations

The House bill requires that the annual report on vocational rehabilitation include data on the administrative costs for the Title I program.

The Senate amendment expands the performance and accountability information that is collected and reported on the vocational rehabilitation programs. The Senate amendment also requires the Commissioner to conduct studies and make analyses to identify exemplary practices in vocational rehabilitation. These studies would focus on subjects such as informed client choice, customer satisfaction, job placement and retention, assistive technology, and integrated employment.

The Conference agreement includes the requirement for reporting administrative costs contained in the House bill as well as the additional reporting requirement in the Senate amendment. The Conferees urge the Commissioner to direct current evaluation activities on identifying what works well, rather than continuing to seek to define, or in many cases, redefine, the chronic problems connected to the employment of individuals with disabilities.

Vocational Rehabilitation Services

Statewideness

The House bill clarifies that the requirement for the State plan to be in effect in all political subdivisions of the State does not apply to cases in which private earmarked funds are used as state matching funds for particular geographic regions of the State, and is permitted without a waiver by the Commissioner.

The Senate amendment makes no change to current law.

The Conference agreement follows the clarifications in the House bill. These clarifications are necessary in light of recent Department of Education interpretations of these statutory provisions that are contrary to the legislative intent. The Conference agreement provides that earmarking of private funds for service delivery in particular geographic areas of the State is permitted without a waiver of the State's statewideness obligations by the Commissioner if State funds are unavailable for the Federal match. This exception to the statewideness requirements in section 101 (a)(4)(B) is intended to allow States to use funds earmarked for a particular geographic location within the State as part of the State's non-Federal share under title I without obtaining a waiver of Statewideness from the Commissioner.

In making these changes, the Conferees reaffirm the original purposes of the statewideness provisions and the earmarked funds exception of Title I. The statewideness provision is intended to ensure that, in general, State efforts are not purposely skewed to particular areas of a State, without approval from the Department of Education.

Information for Individuals Not Covered Under the State's Order of Selection Criteria

The House bill makes no change to current law.

The Senate amendment requires that all individuals eligible for vocational rehabilitation services, including those who do not receive services because the State is under an order of selection, receive at least information and referral services regarding access to the State workforce development system and other information to help the individual prepare for, secure, retain, or regain a job. A State may also provide additional counseling and guidance services.

The Conference agreement deletes the allowable State activities (but maintains the authority to provide additional counseling and guidance services), expands the required information and referral services to include guidance, and specifies what a proper referral must be. The Conferees intend to alleviate the backlog of eligible individuals who do not receive services from the State vocational rehabilitation program because they do not meet the State's order of selection criteria. Many of these individuals do not receive services from the State workforce system and are inappropriately referred back to the State vocational rehabilitation program because they have a disability. The Conferees expect that through the changes made throughout the Conference agreement in integrating the State workforce system, States will serve individuals with disabilities throughout the entire State workforce system, not only through State vocational rehabilitation program.

Comprehensive System of Personnel Training

The House bill modifies the requirements in current law for a comprehensive personnel development system.

The Senate amendment adopts the majority of changes in the House bill and adds several additional requirements.

The Conference agreement maintains the requirements contained in current law. The Conferees believe that there is a continued need for a comprehensive system of personnel development, which was included in the Rehabilitation Amendments of 1992, in order to ensure that individuals with disabilities receive assistance from qualified vocational rehabilitation personnel.

Interagency agreements

The House bill makes no changes to current law.

The Senate amendment requires a State's Governor to ensure that the State's vocational rehabilitation agency enters into interagency agreements with appropriate public entities, including the State's workforce investment system, to provide vocational rehabilitation services more efficiently and comprehensibly, to ensure cooperation among agencies which provide vocational rehabilitation services, and to ensure no duplication of services. While the Senate amendment does not detail what the agreements must contain or with whom they must be made, it does include requirements that the agreements contain a dispute resolution process and methods for defining financial responsibility.

The Conference agreement modifies the Senate amendment by 1) allowing the State's vocational rehabilitation chief administrator to consult with the Governor regarding the agreements and 2) specifying certain entities with which the State vocational rehabilitation agency must establish agreements. These entities include public institutions of higher education. The Conferees recognize that colleges and universities already have a responsibility to provide certain services under the Americans with Disabilities Act (ADA). The Conferees encourage State vocational rehabilitation agencies and public institutions of higher education, in developing interagency agreements, to consider the requirements of the ADA and other laws as well as agreements that may currently be in place. However, State vocational rehabilitation agencies should not interpret these ''interagency agreement'' provisions as shifting the obligation for paying for specific vocational rehabilitation services to colleges and universities. State vocational rehabilitation agencies still have that responsibility. Moreover, public institutions of higher education, as parties in interagency agreements, must agree to the terms of the interagency agreements, including the services that they are expected to provide.

Cooperative agreements with other components of State workforce investment system

The House bill makes no changes to current law.

The Senate amendment provides for cooperative agreements with other parts of a State's workforce investment system to allow for activities such as: staff training and technical assistance regarding vocational rehabilitation services and eligibility, common customer service procedures such as intake and human services hot lines, common dispute resolution procedures, and electronic links to share employment statistics and employment opportunities.

The Conference agreement mirrors the Senate amendment. The Conferees do not intend that this provision be confused with the provision outlining ''Interagency Agreements.'' Interagency agreements are designed to assure cooperation not only among agencies within a State's workforce investment system, but more importantly outside the system. Interagency agreements also have specific provisions regarding the payment of services among these agencies. This section is designed to make the State vocational rehabilitation system more compatible with the State's workforce system and to underscore the links between the two systems.

Coordination with education officials

The House bill changed references in the area of transition services for students with disabilities from Individualized Written Rehabilitation Plan (IWRP) to Individualized Education Program (IEP) so that transition services may be provided under an IEP without requiring the development of a separate IWRP, or Individual Plan for Employment (IPE) as it is referred to in the House bill.

The Senate amendment requires the State plan to contain plans, policies and procedures for coordination between the vocational rehabilitation agency and local and State education officials in facilitating the transition of students with disabilities from secondary school to the workforce through vocational rehabilitation services.

The Conference agreement blends the House and Senate provisions. First, the Conference agreement specifically allows transition planning to be provided under an IEP without requiring the development of a separate IPE. Second, the Conferees also reaffirm the intent of the transition services provisions in the 1992 Vocational Rehabilitation Amendments, which according to the Senate report, was not ''to shift the responsibility of service delivery from education to rehabilitation during the transition years'' but rather to define the role of the rehabilitation system as ''primarily one of planning for the student's years after leaving school.'' The Conference agreement encourages State vocational rehabilitation agencies to assist schools in identifying transition services in the development of the IEP (including participation in IEP meetings), and to participate in the cost of transition services for any student with a disability so long as those students have been determined eligible to receive vocational rehabilitation services. The nature of these services and the roles and responsibilities of each party are to be determined at the State or local level. However, State vocational rehabilitation agencies should not interpret the ''interagency agreement'' provisions as shifting the obligation for paying for specific transition services normally provided by those agencies to local school districts. State vocational rehabilitation agencies still have that responsibility. Further, school districts are parties in interagency agreements, and must agree to the terms of the interagency agreements and the services that they are expected to provide.

The Conferees intend for transition services to cover a wide range of activities that facilitate the transition of secondary school students with disabilities from school to post-school activities.

Presumption of eligibility for recipients of SSDI and SSI

The House bill makes no changes to current law.

The Senate amendment adds new language making individuals who receive SSI or SSDI benefits to be automatically eligible for vocational rehabilitation services.

The Conference agreement follows the Senate amendment. However, the Conferees do not intend to create any sort of entitlement to vocational rehabilitation services for individuals receiving SSI or SSDI benefits. To actually receive services, a person must have a disability and require vocational rehabilitation services to prepare for, secure, retain, or regain employment. The ''presumption of eligibility'' is only the first step in the overall evaluation of whether or not an individual with a disability will receive vocational rehabilitation services. People receiving SSI or SSDI have already met a much stricter standard as to whether they have a disability. Therefore there is no need to reestablish their eligibility in that regard for vocational rehabilitation. SSI and SSDI recipients must still, however, demonstrate their desire to work in order to receive vocational rehabilitation services. Moreover, the decision on whether an individual actually receives vocational rehabilitation services is based on the availability of funds in accordance with the State's order of selection criteria.

Individual plans

The House bill renames the *Individualized Written Rehabilitation Plan* (IWRP) as the *Individual Plan for Employment* (IPE). The bill enhances client control by requiring that clients have the opportunity to exercise informed choice in the development and implementation of their plans by selecting employment goals, services, providers, and methods to procure services, as well as providing for extended services.

The Senate amendment renames the IWRP as the *Individual Rehabilitation Employment Plan* (IREP), and follows the House bill in providing for informed client choice and extended services. The Senate amendment also establishes mandatory procedures and components for individual plans.

The Conference agreement follows the Senate amendment, except for adopting the House term of *Individual Plan for Employment.* The Conference agreement reflects the need to provide greater choice and involvement of vocational rehabilitation clients in developing their service plans. The Conferees expect that these changes will fundamentally change the role of the client-counselor relationship, and that in many cases counselors will serve more as facilitators of plan development.

Improved and enhanced consumer choice

The House bill strongly emphasize improved and enhanced consumer choice, especially through new language regarding the vocational rehabilitation consumer's role in his or her Individual Employment Plan.

The Senate amendment also emphasizes improved and enhanced consumer choice and requires assurances that vocational rehabilitation consumers or their appropriate representative be provided information and support services to assist the consumers in exercising informed choice throughout the rehabilitation process.

The Conference agreement adopts these views and expands the role of vocational rehabilitation consumers in the decisions regarding their job training. The Conferees believe that a consumer-driven program is most effective in getting people jobs. Therefore, the Conferees endorse increased independence for individuals with disabilities to informed choice.

State Rehabilitation Council

The House bill makes no changes to current law.

The Senate amendment expands the membership of the Council, increases the responsibilities of the Council, and adds additional functions. The Senate amendment also makes several changes to better integrate and coordinate vocational rehabilitation services in the State Workforce system.

The Conference agreement follows the Senate amendment. In doing so, the Conferees preserve the Council's advisory functions. The Conference agreement adds additional function that follow the Senate amendment in requiring that the Council and State agency jointly develop, agree to, and review State goals and priorities.

American Indian vocational rehabilitation services

The House bill makes no changes to current law.

The Senate amendment gives the Rehabilitation Services Administration the flexibility to make decisions about the duration of individual grants, but also allows for long-term grants that will contribute to the stability and effectiveness of services.

The Conference agreement follows the Senate amendment and adds language giving tribal vocational rehabilitation agencies the authority to provide vocational rehabilitation services to Native Americans who reside either on or near reservations. However, the Conferees do not intend this authority to require tribal vocational rehabilitation agencies to serve Native Americans not living on a reservation. It merely allows the agencies to do so if they choose.

RESEARCH AND TRAINING

Research and training improvements

The House bill eliminates the references to the compensation rate for the Director of the National Institute for Disability and Rehabilitation Research (NIDRR), and eliminates provisions related to the Deputy Director.

The Senate amendment follows the House bill regarding the appointment of the Director but retains references to the Deputy Director; eliminates provisions that requires the awarding of funds for pediatric rehabilitation and other areas, adds provisions that allow research grants to be made for research programs on the effectiveness of medical practices and on quality assurance in rehabilitation technology, and makes other improvements in focusing research funds on critical areas.

The Conference agreement follows the House bill regarding the appointment of the Director and Deputy Director of NIDRR. The Conference agreement follows the Senate amendment regarding the elimination of provisions requiring funding for specific projects and in allowing for grants in designated emerging research areas. The Conferees intend that information and findings from work funded by the Institute be effectively disseminated so that it is more accessible to the public, including individuals with disabilities. The Conferees also recognize that individuals with disabilities lack access to uniform, useful information about assistive technology devices and services. The Conferees urge NIDRR to assume a leadership role in promoting the identification, use, and acceptance of uniform information about common devices and services that permit individuals with disabilities to make informed decisions about such devices and services. However, the Conferees believe that

it would be inappropriate for NIDRR to contemplate or set standards for such devices and services.

PROFESSIONAL DEVELOPMENT AND SPECIAL PROJECTS AND DEMONSTRATIONS

Transfer and elimination of programs

The House bill eliminates 22 programs by repealing sections 303 through 306 in Title III of current law and repealing authorized but unfunded programs in Title VIII.

The Senate amendment also repeals sections 303 to 306 in Title III, as well as the currently funded Reader Services and Interpreter Services programs, and all programs in Title VIII.

The Conference agreement consolidates into Title III the currently funded programs authorized under Title VIII. It also retains the currently funded Reader Services and Interpreter Services programs in Title III, and transfers the Grants for Demonstration Projects to Increase Choice, Braille Training Projects and Parent Information and Training Programs from Title VIII to Title III. Title VIII is repealed completely. Many of these programs were authorized for more than twenty years yet were never funded. The changes in the Conference agreement streamline the training and demonstration projects by consolidating them into a single section with flexible authority to address changing and emerging needs.

NATIONAL COUNCIL ON DISABILITY

Duties and administration of the National Council on Disability

The House bill makes no changes to current law regarding the National Council on Disability, other than extending the authorization for the Council.

The Senate amendment expands the membership of the Council, modifies the duties of the Council, and makes other changes related to the administration of the Council.

The Conference agreement follows the Senate amendment, but strikes the expansion of duties at the international level.

RIGHTS AND ADVOCACY

Electronic and information technology regulations

The House bill requires that the Director of the Office of Management and Budget establish procedures for each federal agency to provide written certification by September 30 of each year that is in compliance with the accessibility guidelines, and to oversee agencies in complying with the requirements. The House bill, however, makes no changes to the guidelines for electronic and information technology accessibility.

The Senate amendment makes significant changes to current law in the areas of accessibility and electronic and information technology standards. These changes include requiring Federal agencies to procure, maintain, and use electronic and information technology that provides individuals with disabilities with comparable access to what is available to individuals without disabilities. The Senate amendment also requires that the Architectural and Transportation Barriers Compliance Board with issuing electronic and information technology standards, establishes reporting requirements for Federal agencies, establishes, complaint procedures, and clarifies individual rights of action relative to section 505 of the Act.

The Conference agreement follows the Senate amendment with several changes. The Conference agreement clarifies provisions in order to be consistent with the Clinger-Cohen Act of 1996, clarifies procedures relating to the extent of the Federal government's responsibilities in providing public access to information, and modifies the procedures for filing complaints.

EMPLOYMENT OPPORTUNITIES FOR INDIVIDUALS WITH DISABILITIES

Expanding employment opportunities

The House bill makes no changes to current law.

The Senate amendment emphasizes expanded employment opportunities for individuals with disabilities by authoring funding for two new types of projects: projects in telecommuting and projects in self-employment.

The Conference agreement deletes the authority related to the new projects in the Senate amendment, reflecting the Conferees' intention to streamline and consolidate programs in the Rehabilitation Act. However, the Conferees agree and fully intend that telecommuting and self-employment be viable employment outcomes for recipients of vocational rehabilitation services who want such opportunities. These amendments are supported by amendments to Title I of the Act.

INDEPENDENT LIVING SERVICES AND CENTERS FOR INDEPENDENT LIVING

State Independent Living Councils

The House bill makes no changes to current law.

The Senate amendment adds at least one representatives of the directors of projects serving American Indians with disabilities to the State Independent Living Councils and clarifies the means by which the minimum allotments are adjusted for inflation, and other technical changes.

The Conference agreement adopts the Senate amendments.

TITLE V—GENERAL PROVISIONS

Unified plan

The House bill contains no provision.

The Senate amendment allows States to submit a unified plan to the Secretary to fulfill the State plan requirements of training activities for adults, dislocated workers and youth; adult education; and secondary and postsecondary vocational education.

The Conference agreement generally follows the Senate amendment with the exception that the State legislature must approve the inclusion of secondary vocational education in the unified plan.

Incentive grants

The House bill authorizes the Secretary of Labor to award incentive grants to States that: (1) exceed levels of performance; (2) demonstrate continuing progress towards exceeding benchmarks; and (3) demonstrate significant progress in the coordination and integration of programs.

The Senate amendment authorizes the Secretary of Labor to award incentive grants to States that exceed the expected levels of performance for performance measures established under the workforce development and adult education titles and vocational education. Special consideration is to be given to States achieving the highest level of performance related to employment retention and earnings. Funds are to be used for innovative projects.

The Conference agreement generally follows the Senate amendment except that States must apply for such incentive grants, and are only eligible to receive incentive grants if they consult with their State legislature in development of their application. The application must have the approval of the Governor, the State agency responsible for adult education, and the State agency responsible for vocational education. Grant funds would be required to be spent to carry out innovative training, adult education, or vocational education programs consistent with the requirements of this Act and the Carl D. Perkins Vocational Education Act accordingly. Applications would be developed with the assistance of the State board.

Authorization of appropriations/Effective date/Transition

The House bill authorizes such sums for five years (FY 1999–FY 2003). The House bill takes effect July 1, 1998. The Secretaries are authorized to take such steps as they determine appropriate to provide for an orderly transition from authorities amended or repealed by the Act.

The Senate amendment authorizes such sums for six years (FY 1999–FY 2004). In general, the Senate amendment takes effect July 1, 1999 (except for the 21st Century Workforce Commission authority which takes effect upon enactment). The Secretary of Labor is authorized to take steps to provide for the orderly transition to the authority of the bill. Additionally, the Governor may use funds made available under any provision of law repealed by the bill to implement the bill prior to its effective date.

The Conference agreement takes effect upon the date of enactment, unless otherwise set forth in the Act and authorizes such sums for five years (FY 1999–FY 2003). The Conference agreement generally follows the House bill and Senate amendment with respect to transition.

BILL GOODLING.
HOWARD ''BUCK'' MCKEON.
FRANK RIGGS.
LINDSEY GRAHAM.
BOB SCHAFFER.
W.L. CLAY.
M.G. MARTINEZ.
DALE KILDEE.

Managers on the Part of the House.

JIM JEFFORDS.
DAN COATS.
JUDD GREGG.
BILL FRIST.
MIKE DEWINE.
MICHAEL B. ENZI.
TIM HUTCHINSON.
SUSAN COLLINS.
JOHN WARNER.
MITCH MCCONNELL.
EDWARD M. KENNEDY.
CHRIS DODD.
PAUL WELLSTONE.
JACK REED.

Managers on the Part of the Senate.

N O T I C E

Incomplete record of House proceedings. Except for concluding business which follows, today's House proceedings will be continued in the next issue of the Record.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. RIGGS (at the request of Mr. ARMEY) for July 30 and 31 on account of personal reasons.

Mr. YATES (at the request of Mr. GEPHARDT) after 7 p.m. today for physical reasons.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. TRAFICANT) to revise and extend their remarks and include extraneous material:)

Mr. CONYERS, for 5 minutes, today.

Ms. NORTON, for 5 minutes, today.

Mr. FALEOMAVAEGA, for 5 minutes, today.

Ms. JACKSON-LEE of Texas, for 5 minutes, today.

Mr. BENTSEN, for 5 minutes, today.

(The following Members (at the request of Mr. BURR of North Carolina) to revise and extend their remarks and include extraneous material:)

Mr. COLLINS, for 5 minutes, today.

Mr. CAMPBELL, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Ms. DELAURO, and to include extraneous material on H.R. 4194, in the Committee of the Whole today regarding the children's sleepwear amendment.

(The following Members (at the request of Mr. TRAFICANT) and to include extraneous material:)

Mr. SANDERS.
Mr. KIND.
Mr. BENTSEN.
Ms. MCCARTHY of Missouri.
Mr. STARK.
Mr. HAMILTON.
Mr. ABERCROMBIE.
Mr. FORD.
Mr. SERRANO.
Mr. KUCINICH.
Mr. VENTO.
Mr. BLAGOJEVICH.
Mr. KENNEDY of Massachusetts.
Ms. JACKSON-LEE of Texas.
Mrs. MALONEY of New York.
Mr. HOYER.
Mr. RANGEL.
Mr. ETHERIDGE.
Mr. MARKEY.
Mrs. CLAYTON.
Mr. HINCHEY.
Ms. LEE.
Ms. MILLENDER-MCDONALD.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. BURR of North Carolina) and to include extraneous material:)

Mr. EHRLICH.
Mr. SAXTON.
Mr. MCKEON.
Mr. DELAY.
Mr. FORBES.
Mr. SPENCE.
Mr. FRANKS of New Jersey.
Mr. CALVERT.
Mr. NEY.
Mr. RADANOVICH.
Mr. SMITH of New Jersey.
Mr. SMITH of Oregon.
Mr. RIGGS.
Ms. ROS-LEHTINEN.

BILL PRESENTED TO THE PRESIDENT

Mr. THOMAS, from the Committee on House Oversight, reported that that committee did on this day present to the President, for his approval, a bill of the House of the following title:

H.R. 39. An act to reauthorize the African Elephant Conservation Act.

ADJOURNMENT

Mr. BURR of North Carolina. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 1 o'clock and 3 minutes a.m.), under its previous order, the House adjourned until today Thursday, July 30, 1998, at 1 p.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

10359. A letter from the Administrator, Farm Service Agency, Department of Agriculture, transmitting the Department's final rule—Subordination of Direct Loan Security to Secure a Guaranteed Line of Credit; Correction (RIN: 0560–AE92) received July 21, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

10360. A letter from the Director, Defense Procurement, Department of Defense, transmitting the Department's final rule—Defense Federal Acquisition Regulation Supplement [DFARS Case 97–D012] received July 22, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on National Security.

10361. A letter from the Director, Office of Legislative Affairs, Federal Deposit Insurance Corporation, transmitting the Corporation's final rule—Resolution and Receivership Rules (RIN: 3064–AB92) received July 21, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Banking and Financial Services.

10362. A letter from the Director, Regulations Policy and Management Staff, Office of Policy, Department of Health and Human Services, transmitting the Administration's final rule—Oral Dosage Form New Animal Drugs; Bacitracin Methylene Disalicylate Soluble [21 CFR Part 520] received July 23, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

10363. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Approval and Promulgation of Air Quality Implementation Plans; Colorado; 1993 Periodic Carbon Monoxide Emission Inventories For Colorado [CO–001–0024a; FRL–6124–4] received July 10, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

10364. A letter from the Secretary, Federal Trade Commission, transmitting the Commission's final rule—Rule Concerning Disclosures Regarding Energy Consumption And Water Use Of Certain Home Appliances And Other Products Required Under The Energy Policy And Conservation Act (''Appliance Labeling Rule'') received July 21, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

10365. A letter from the Director, Regulations Policy and Management Staff, Office of Policy, Food and Drug Administration, transmitting the Administration's final rule—Indirect Food Additives: Adjuvants, Production Aids, and Sanitizers [Docket No. 97F–0405] received July 23, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

10366. A letter from the Director, Regulations Policy and Management Staff, Office of Policy, Food and Drug Administration, transmitting the Administration's final rule—Secondary Direct Food Additives Permitted in Food for Human Consumption [Docket No. 94F–0040] received July 23, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

10367. A letter from the Director, Office of Congressional Affairs, Nuclear Regulatory Commission, transmitting the Commission's final rule—Licenses for Industrial Radiography and Radiation Safety Requirements for Industrial Radiographic Operations; Clarifying Amendments and Corrections (RIN: 3150–AE07) received July 23, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

10368. A letter from the Executive Director, Committee For Purchase From People Who Are Blind Or Severely Disabled, transmitting the Committee's final rule—Procurement List; Additions—received July 23, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Government Reform and Oversight.

10369. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Public Availability of Information; Electronic FOIA Amendment [Docket No. OST–96–1430; Amdt. 1] (RIN: 2105–AC69) received July 21, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Government Reform and Oversight.

10370. A letter from the Deputy Assistant Administrator For Fisheries, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule—Fisheries off West Coast States and in the Western Pacific; Pacific Coast Groundfish Fishery; Management Measures for Nontrawl Sablefish [Docket No. 980406085–8164–01; I.D. 031198C] (RIN: 0648–AJ27) received July 21, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

10371. A letter from the Director, Office of Surface Mining Reclamation and Enforcement, transmitting the Office's final rule—Indiana Regulatory Program [SPATS No. IN–130–FOR; State Program Amendment No. 95–8] received July 21, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

10372. A letter from the Chief, Regulations Division Bureau of Alcohol, Tobacco and Firearms, Department of the Treasury, transmitting the Department's final rule—Posting of Signs and Written Notification to Purchasers of Handguns [T.D. ATF–402; Ref: Notice No. 855] (RIN: 1512–AB68) received July 21, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on the Judiciary.

10373. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; McDonnell Douglas Model MD–11 Series Airplanes [Docket No. 98–NM–209–AD; Amendment 39–10665; AD 98–15–14] (RIN: 2120–AA64) received July 21, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

10374. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Standard Instrument Approach Procedures; Miscellaneous Amendments [Docket No. 29280; Amdt. No. 1878] (RIN: 2120–AA65) received July 21, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

10375. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Standard Instrument Approach Procedures; Miscellaneous Amendments [Docket No. 29281; Amdt. No. 1879] (RIN: 2120–AA65) received July 21, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

10376. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Dornier Model 328–100 Series Airplanes [Docket No. 98–NM–133–AD; Amendment 39–10662; AD 98–15–11] (RIN: 2120–AA64) received July 21, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

10377. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Modification of Class E Airspace; Porterville, CA [Airspace Docket No. 98–AWP–2] received July 21, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

10378. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Modification of Class E Airspace; Ukiah, CA [Airspace Docket No. 98–AWP–11] received July 21, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

10379. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Revision of Class D and Establishment of Class E Airspace; Yuma MCAS-Yuma International Airport, AZ; Correction [Airspace Docket No. 98–AWP–14] received July 21, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

10380. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Standard Instrument Approach Procedures; Miscellaneous Amendments [Docket No. 29282; Amdt. No. 1880] (RIN: 2120–AA65) received July 21, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

10381. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Saab Model SAAB SF340A and SAAB 340B Series Airplanes [Docket No. 98–NM–117–AD; Amendment 39–10661; AD 98–15–10] (RIN: 2120–AA64) received July 21, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

10382. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Aerospatiale Model ATR42 and ATR72 Series Airplanes [Docket No. 98–NM–149–AD; Amendment 39–10663; AD 98–15–12] (RIN: 2120–AA64) received July 21, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

10383. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Dassault Model Mystere-Falcon 50 Series Airplanes [Docket No. 96–NM–230–AD; Amendment 39–10658; AD 98–15–07] (RIN: 2120–AA64) received July 21, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

10384. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; British Aerospace Model BAe 146 and Model Avro 146–RJ Series Airplanes [Docket No. 97–NM–02–AD; Amendment 39–10659; AD 98–15–08] (RIN: 2120–AA64) received July 21, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

10385. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Airbus Model A320–111 and -211 Series Airplanes [Docket No. 97–NM–160–AD; Amendment 39–10660; AD 98–15–09] (RIN: 2120–AA64) received July 21, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

10386. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Airbus Model A320 and Model A321 Series Airplanes [Docket No. 94–NM–94–AD; Amendment 39–10657; AD 98–15–06] (RIN: 2120–AA64) received July 21, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

10387. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Raytheon Aircraft Company 90, 100, 200, and 300 Series Airplanes [Docket No. 97–CE–92–AD; Amendment 39–10664; AD 98–15–13] (RIN: 2120–AA64) received July 21, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

10388. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Amendments to the Effluent Limitations Guidelines, Pretreatment Standards, and New Source Performance Standards for the Organic Pesticide Chemicals Manufacturing Industry—— Pesticide Chemicals Point Source Category [FRL–6126–6] received July 23, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

10389. A letter from the Deputy General Counsel, Small Business Administration, transmitting the Adminstration's final rule—Small Business Investment Companies [13 CFR Part 107] received July 21, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Small Business.

10390. A letter from the Director, Office of Regulations Management, Department of Veterans Affairs, transmitting the Department's final rule—Payment for Non-VA Physician Services Associated with Either Outpatient or Inpatient Care Provided at Non-VA Facilities (RIN: 2900–AH66) received July 23, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Veterans' Affairs.

10391. A letter from the Chief Counsel, Department of the Treasury, transmitting the Department's final rule—Sale and Issue of Marketable Book-Entry Treasury Bills, Notes, and BONDS [31 CFR Part 356] received July 18, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

10392. A letter from the Chief, Regulations Unit, Internal Revenue Service, transmitting the Service's final rule—Rules and Regulations [Revenue Ruling 98–37] received July 23, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

10393. A letter from the Chief, Regulations Unit, Internal Revenue Service, transmitting the Service's final rule—Treatment Of Loans With Below-Market Interest Rates [Revenue Ruling 98–34] received July 21, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. ARCHER: Committee on Ways and Means. House Joint Resolution 120. Resolution disapproving the extension of the waiver authority contained in section 402(c) of the Trade Act of 1974 with respect to Vietnam; adversely (Rept. 105–653). Referred to the Committee of the Whole House on the State of the Union.

Mr. SHUSTER: Committee on Transportation and Infrastructure. H.R. 3482. A bill to designate the Federal building located at 11000 Wilshire Boulevard in Los Angeles, California, as the ''Abraham Lincoln Federal Building'' (Rept. 105–654). Referred to the House Calendar.

Mr. SHUSTER: Committee on Transportation and Infrastructure. H.R. 3598. A bill to designate the Federal building located at 700 East San Antonio Street in El Paso, Texas, as the ''Richard C. White Federal Building'' (Rept. 105–655). Referred to the House Calendar.

Mr. SHUSTER: Committee on Transportation and Infrastructure. S. 2032. A act to designate the Federal building in Juneau, Alaska, as the ''Hurff A. Saunders Federal Building''; with amendments (Rept. 105–656). Referred to the House Calendar.

Mr. SMITH of Texas: Committee on the Judiciary. H.R. 3736. A bill to amend the Immigration and Nationality Act to make changes relating to H–1B nonimmigrants; with an amendment (Rept. 105–657). Referred to the Committee of the Whole House on the State of the Union.

Mr. SOLOMON: Committee on Rules. House Resolution 507. Resolution providing special investigative authority for the Committee on Education and the Workforce; with an amendment (Rept. 105–658). Referred to the House Calendar.

Mr. GOODLING: Committee of Conference. Conference report on H.R. 1385. A bill to consolidate, coordinate, and improve employment, training, literacy, and vocational rehabilitation programs in the United States, and for other purposes (Rept. 105–659). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of Rule X and clause 4 of Rule XXII, public bills and resolutions were introduced and severally referred, as follows:

By Mr. CRANE (for himself and Mr. MATSUI):

H.R. 4342. A bill to make miscellaneous and technical changes to various trade laws, and for other purposes; to the Committee on Ways and Means.

By Mr. MOAKLEY:

H.R. 4343. A bill to amend the Congressional Budget Act of 1974 regarding the application of points of order to unreported measures in the House of Representatives; to the Committee on Rules, and in addition to the Committee on the Budget, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. DEFAZIO (for himself, Mr. ABERCROMBIE, Mr. ALLEN, Mr. ANDREWS, Mr. ACKERMAN, Mr. BALDACCI, Mr. BARRETT of Wisconsin, Mr. BISHOP, Mr. BLUMENAUER, Mr. BOEHLERT, Mr. BORSKI, Mr. BOSWELL, Mr. BRADY of Pennsylvania, Ms. BROWN of Florida, Mr. BROWN of Ohio, Mr. BUYER, Mrs. CAPPS, Ms. CARSON, Mr. CHAMBLISS, Mrs. CLAYTON, Mr. CLAY, Mr. COSTELLO, Ms. DANNER, Mr. DELAHUNT, Ms. DELAURO, Mr. DIXON, Mrs. EMERSON, Mr. ENGEL, Mr. ENGLISH of Pennsylvania, Mr. FARR of California, Mr. FATTAH, Mr. FILNER, Mr. FORD, Mr. FRANK of Massachusetts, Mr. FRELINGHUYSEN, Mr. FROST, Ms. FURSE, Mr. GEJDENSON, Mr. GEKAS, Mr. GILCHREST, Mr. GREEN, Mr. HALL of Ohio, Mr. HAMILTON, Mr. HILLIARD, Mr. HINCHEY, Mr. HOLDEN, Ms. HOOLEY of Oregon, Mr. HULSHOF, Mr. HUTCHINSON, Mr. JACKSON, Mrs. JOHNSON of Connecticut, Mr. JONES, Mr. KANJORSKI, Ms. KAPTUR, Mr. KENNEDY of Massachusetts, Mr. KENNEDY of Rhode Island, Mr. KILDEE, Mr. KIND of Wisconsin, Mr. KINGSTON, Ms. KILPATRICK, Mr. LAFALCE, Mr. LEWIS of Georgia, Mr. LOBIONDO, Ms. LOFGREN, Mrs. LOWEY, Mr. MANTON, Mrs. MALONEY of New York, Mr. MARKEY, Mr. MARTINEZ, Mr. MASCARA, Mr. MCDERMOTT, Mr. MCGOVERN, Mr. MCHUGH, Mr. MCNULTY, Mr. MEEHAN, Mrs. MEEK of Florida, Mr. MEEKS of New York, Mr. METCALF, Mr. MILLER of California, Ms. MILLENDER-MCDONALD, Mrs. MINK of Hawaii, Mr. MOAKLEY, Mrs. MORELLA, Mr. MURTHA, Mr. NADLER, Ms. NORTON, Mr. OBERSTAR, Mr. OLVER, Mr. OWENS, Mr. PASCRELL, Mr. PAUL, Mr. PAYNE, Mr. PETERSON of Minnesota, Mr. POSHARD, Mr. QUINN, Mr. RAHALL, Mr. REGULA, Mr. ROEMER, Mr. ROMERO-BARCELO, Mr. ROTHman, Ms. SANCHEZ, Mr. SANDERS, Mr. SANDLIN, Mr. SAWYER, Mr. SAXTON, Mr. SCOTT, Mr. SCHUMER, Mr. SERRANO, Mr. SHAYS, Mr. SKELTON, Mr. ADAM SMITH of Washington, Mr. SMITH of New Jersey, Mr. SPRATT, Mr. STEARNS, Mr. STENHOLM, Mr. STRICKLAND, Mr. STOKES, Mr. TOWNS, Mr. UNDERWOOD, Mr. WALSH, Mr. WATTS of Oklahoma, Mr. WATKINS, Mr. WAXMAN, Mr. WEXLER, Mr. WEYGAND, Mr. WHITFIELD, and Ms. WOOLSEY):

H.R. 4344. A bill to amend the Older Americans Act of 1965 to extend the authorizations of appropriations for that Act, and for other purposes; to the Committee on Education and the Workforce.

By Mrs. CHENOWETH (for herself, Mr. BOYD, Mr. PETERSON of Pennsylvania, Mr. CANNON, Mr. MCINNIS, and Mr. ROGERS):

H.R. 4345. A bill to authorize the continued use on national forest and other public lands of the alternative arrangements that were approved by the Council on Environmental Quality for windstorm-damaged national forests and grasslands in Texas; to the Committee on Resources.

By Mr. BUNNING of Kentucky:

H.R. 4346. A bill to amend the Internal Revenue Code of 1986 to provide exemptions from taxation with respect to public safety officers killed in the line of duty; to the Committee on Ways and Means.

By Ms. NORTON:

H.R. 4347. A bill to authorize the Architect of the Capitol to establish a Capitol Visitor Center under the East Plaza of the United States Capitol, and for other purposes; to the Committee on Transportation and Infrastructure, and in addition to the Committee on Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. SESSIONS:

H.R. 4348. A bill to amend section 5137 of the Revised Statutes of the United States to allow national banks to continue to hold passive investments in certain subsurface rights acquired in the course of the banking business and carried on the books of the bank for a nominal amount; to the Committee on Banking and Financial Services.

By Mr. SMITH of New Jersey (for himself, Mr. ENGLISH of Pennsylvania, Mr. PAUL, Mr. ENSIGN, and Mr. SHAYS):

H.R. 4349. A bill to amend the Internal Revenue Code of 1986 to provide for an exception from penalty tax and exclusion from income for certain amounts withdrawn from certain retirement plans for qualified long-term care insurance and a credit for taxpayers with certain persons requiring custodial care in their households; to the Committee on Ways and Means.

By Mr. STEARNS (for himself, Mr. OXLEY, and Mr. LARGENT):

H.R. 4350. A bill to amend title 18, United States Code, to prohibit Internet gambling, and for other purposes; to the Committee on the Judiciary.

By Mr. STUPAK:

H.R. 4351. A bill to amend the Act that established the Keweenaw National Historical Park to require the Secretary of the Interior to consider nominees of various local interests in appointing members of the Keweenaw National Historical Parks Advisory Commission; to the Committee on Resources.

By Mr. TAUZIN (for himself and Mr. MARKEY):

H.R. 4352. A bill to amend the Communications Act of 1934 to improve competition in the multichannel video programming distribution market, and for other purposes; to the Committee on Commerce.

By Mr. STUPAK:

H. Res. 512. A resolution expressing the sense of the House of Representatives that the President should focus appropriate attention on the issue of neighborhood crime prevention, community policing and reduction of school crime by delivering speeches, convening meetings, and directing his Administration to make reducing crime an important priority; to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 26: Mr. SAM JOHNSON.

H.R. 74: Mr. FILNER and Ms. BROWN of Florida.

H.R. 164: Mr. MCNULTY, Mr. DOOLEY of California, Mr. DAVIS of Virginia, Mr. DICKS, and Mr. SHERMAN.

H.R. 979: Mr. BILIRAKIS.

H.R. 1073: Mr. LUTHER.

H.R. 1111: Mr. HAYWORTH, Mr. MEEKS of New York, Mr. BONIOR, Mr. HOLDEN, Mr. GOODE, Mr. STARK, and Mr. MILLER of California.

H.R. 1126: Mr. GOODLING, Mr. CARDIN, Mr. FOX of Pennsylvania, Mr. GEKAS, Mr. TALENT, Mr. PITTS, and Mr. HULSHOF.

H.R. 1134: Mr. WELLER.

H.R. 1202: Mrs. JOHNSON of Connecticut.

H.R. 1231: Ms. KAPTUR, Mr. KLECZKA, and Mr. CUMMINGS.

H.R. 1321: Mrs. THURMAN and Mr. HILLIARD.

H.R. 1356: Mr. INGLIS of South Carolina.

H.R. 1383: Mr. RIGGS.

H.R. 1450: Mr. KLINK.

H.R. 1542: Mrs. BONO.

H.R. 2023: Mr. BISHOP.

H.R. 2397: Mr. KILDEE, Ms. BROWN of Florida, Mr. SNOWBARGER, Mr. JOHN, Mr. ABERCROMBIE, Mr. NUSSLE, Ms. DUNN of Washington, and Mr. BACHUS.

H.R. 2408: Ms. MCCARTHY of Missouri.

H.R. 2468: Mr. RANGEL.

H.R. 2497: Mr. RIGGS.

H.R. 2568: Mr. MCINTYRE.

H.R. 2635: Mr. DAVIS of Virginia.

H.R. 2660: Mr. MARTINEZ.

H.R. 2670: Mr. FOLEY.

H.R. 2697: Mr. GOODE, Mr. KILDEE, and Mr. FORD.

H.R. 2721: Mrs. MYRICK.

H.R. 2723: Mr. WATTS of Oklahoma.

H.R. 2828: Mr. GILMAN, Mr. STOKES, Ms. WATERS, Mr. ENGLISH of Pennsylvania, Mr. MANTON, Mr. BOYD, Mr. PASTOR, Mr. SAXTON, Mr. BILIRAKIS, Mr. RAMSTAD, Mr. CHAMBLISS, Mr. WATTS of Oklahoma, Mr. SOLOMON, Mr. REGULA, and Mr. ACKERMAN.

H.R. 2882: Mrs. BONO and Mr. SCHUMER.

H.R. 2900: Mr. MATSUI.

H.R. 2914: Mr. GREENWOOD and Mr. CRAMER.

H.R. 2931: Mr. RANGEL.

H.R. 2953: Mr. HASTINGS of Florida, Mr. FRANK of Massachusetts, and Ms. KILPATRICK.

H.R. 2968: Mr. ROMERO-BARCELO.

H.R. 2990: Mr. DAN SCHAEFER of Colorado, Mr. COLLINS, Mr. MILLER of California, and Ms. GRANGER.

H.R. 3008: Mr. FORBES.

H.R. 3050: Mr. GEJDENSON and Mr. BOUCHER.

H.R. 3070: Mr. MCGOVERN, Ms. LOFGREN, and Mr. DEFAZIO.

H.R. 3081: Mr. BLUMENAUER and Ms. STABENOW.

H.R. 3177: Mr. BARTLETT of Maryland.

H.R. 3181: Mr. RANGEL.

H.R. 3207: Mr. SCHUMER.

H.R. 3217: Mr. PORTMAN and Mr. TANNER.

H.R. 3231: Ms. JACKSON-LEE.

H.R. 3248: Mr. BUYER and Mr. BRADY of Texas.

H.R. 3261: Mr. HOSTETTLER.

H.R. 3262: Ms. MCCARTHY of Missouri and Mr. FORD.

H.R. 3284: Mr. SNYDER.

H.R. 3304: Mr. BLUMENAUER.

H.R. 3320: Ms. MILLENDER-MCDONALD.

H.R. 3341: Mr. PALLONE.

H.R. 3501: Mr. MCCRERY.

H.R. 3550: Mr. THOMPSON.

H.R. 3567: Mr. MANZULLO.

H.R. 3610: Mr. BARTLETT of Maryland.

H.R. 3688: Mr. STENHOLM, Mr. COMBEST, Mr. FROST, Mr. SESSIONS, Mr. BONILLA, Mr. DOOLEY of California, Mr. BARTON of Texas, and Mr. BUNNING of Kentucky.

H.R. 3741: Mr. TRAFICANT.

H.R. 3747: Mr. SANDLIN.

H.R. 3773: Mr. KUCINICH.

H.R. 3795: Mr. ENGEL.

H.R. 3814: Mr. LEWIS of Georgia, Mrs. MINK of Hawaii, Mrs. THURMAN, Mr. KILDEE, Mr. RANGEL, and Mr. ALLEN.

H.R. 3821: Mr. LAHOOD, Mr. MARKEY, Mr. FORD, Ms. HARMAN, Mr. SKAGGS, Ms. PELOSI, and Mr. TOWNS.

H.R. 3831: Mr. LANTOS and Mr. FORD.

H.R. 3865: Mr. ENGEL.

H.R. 3879: Ms. DANNER, Mr. COMBEST, and Mr. INGLIS of South Carolina.

H.R. 3916: Mr. FARR of California, Mr. BARCIA of Michigan, Mr. STRICKLAND, and Ms. KAPTUR.

H.R. 3925: Mr. MARTINEZ.

H.R. 3932: Ms. FURSE and Mr. OWENS.

H.R. 3981: Mrs. JOHNSON of Connecticut, Mr. HOUGHTON, Mr. DELAHUNT, Mr. ENGLISH of Pennsylvania, Ms. MCCARTHY of Missouri, Mr. PICKETT, Mr. DAVIS of Virginia, and Mr. SCOTT.

H.R. 4006: Mr. DOYLE, Mr. PETERSON of Minnesota, Mr. LAHOOD, Mrs. MYRICK, Mr. GOODLATTE, Mr. PEASE, Mr. SUNUNU, and Ms. PRYCE of Ohio.

H.R. 4007: Mr. HANSEN and Mr. OWENS.

H.R. 4037: Mr. SKEEN, Mr. SNOWBARGER, Mr. NETHERCUTT, and Mr. CHABOT.

H.R. 4061: Mr. FOX of Pennsylvania.

H.R. 4067: Mr. SNOWBARGER.

H.R. 4070: Mr. MARKEY.

H.R. 4071: Mr. BAKER and Mr. LEWIS of Kentucky.

H.R. 4135: Mr. SCHUMER, Ms. KILPATRICK, Mrs. CLAYTON, Ms. NORTON, and Mr. HILLIARD.

H.R. 4145: Mr. BRADY of Pennsylvania, Mr. YATES, Mr. HINCHEY, Mr. FRANK of Massachusetts, Mr. CLAY, Mr. RUSH, Ms. CHRISTIAN-GREEN, Mr. HASTINGS of Florida, Mr. MEEKS of New York, Mr. RANGEL, Mrs. CLAYTON, Ms. FURSE, Mr. BISHOP, Mrs. MEEK of Florida, Ms. KILPATRICK, Ms. EDDIE BERNICE JOHNSON of Texas, Mr. CUMMINGS, Mr. THOMPSON, Mr. DAVIS of Illinois, Mr. OWENS, Mr. FILNER, Mr. BARRETT of Nebraska, Ms. NORTON, and Ms. ROYBAL-ALLARD.

H.R. 4152: Mr. BROWN of Ohio, Ms. NORTON, and Ms. KILPATRICK.

H.R. 4183: Mr. BOEHLERT.

H.R. 4184: Mr. BONIOR and Mr. FROST.

H.R. 4185: Mr. BONIOR and Mr. FROST.

H.R. 4196: SAM JOHNSON.

H.R. 4197: Mr. STUMP, Mr. GILLMOR, Mr. SAM JOHNSON, and Mr. METCALF.

H.R. 4204: Mr. CHAMBLISS.

H.R. 4206: Mr. MANTON, Mr. ENGEL, Ms. WOOLSEY, Mr. WAXMAN, Mr. DELAHUNT, Mr. RANGEL, and Mr. VENTO,

H.R. 4211: Ms. NORTON, Ms. JACKSON-LEE, Mr. JENKINS, Mr. BEREUTER, Mr. MEEKS of New York, Mr. RUSH, Mr. BRADY of Pennsylvania, Mr. ADERHOLT, Mr. KENNEDY OF Rhode Island, Ms. RIVERS, Mrs. MEEK of Florida, and Mr. FORD.

H.R. 4213: Mr. TOWNS, Mr. PITTS, and Mr. HOUGHTON.

H.R. 4217: Mr. HOSTETTLER and Mr. METCALF.

H.R. 4220: Mr. ENSIGN, Mr. RILEY, and Mr. KUCINICH.

H.R. 4224: Mrs. MALONEY of New York and Mr. POSHARD.

H.R. 4233: Mr. WAXMAN, Ms. LOFGREN, Mr. YATES, Mr. ACKERMAN, and Mr. MALONEY of New York.

H.R. 4248: Mr. BOYD.

H.R. 4252: Mr. PALLONE and Mr. LEWIS of Kentucky.

H.R. 4258: Mr. PICKERING.

H.R. 4281: Mr. HOSTETTLER, Mrs. MYRICK, Mr. METCALF.

H.R. 4293: Ms. VALAZQUEZ and Mr. DOYLE.

H.R. 4296: Mr. YATES, Mr. MILLER of Florida, and Mrs. MYRICK.

H.R. 4300: Mr. BONILLA, Mr. SOLOMON, Mr. SPENCE, and Ms. WATERS.

H.R. 4301: Mr. BUNNING of Kentucky.

H.R. 4308: Mr. GILMAN, Mr. OWENS, and Mr. BONIOR.

H.R. 4309: Mr. SAXTON.

H.R. 4312: Mr. METCALF.

H.R. 4314: Mr. HOUGHTON.

H.R. 4321: Mrs. KELLY.

H.R. 4324: Mr. DREIER, Mr. NORWOOD, and Mr. GILLMOR.

H.R. 4330: Mr. ADERHOLT and Mr. DUNCAN.

H.R. 4339: Mr. MCINTOSH, Ms. STABENOW, Mr. GOODE, Mr. LUCAS of Oklahoma, Mr. HALL of Texas, Mr. SANDERS, Ms. DANNER, Mr. RILEY, Mr. WATKINS, Mr. BORSKI, Mr. MASCARA, Mr. HILLIARD, Mr. RODRIGUEZ, and Mr. CLEMENT.

H. Con. Res. 264: Mr. MARTINEZ.

H. Con. Res. 286: Mr. DEUTSCH, Mr. JACKSON, and Mr. CLAY.

H. Con. Res. 287: Mr. LAFALCE.

H. Con. Res. 292: Mr. JACKSON.

H. Con. Res. 299: Mrs. BONO, Mr. INGLIS of South Carolina, Mr. ROYCE, and Mr. FOLEY.

H. Con. Res. 309: Ms. NORTON, Ms. BROWN of Florida, and Ms. MCKINNEY.

H. Con. Res. 312: Mr. ROHRABACHER.

H. Res. 313: Mrs. CAPPS, Ms. BROWN of Florida, and Ms. DEGETTE.

H. Res. 483: Mr. WAXMAN, Mr. MARTINEZ, Mr. FROST, and Mr. DIXON.

H. Res. 503: Mr. BALLENGER, Mr. TRAFICANT, Mrs. FOWLER, and Mr. LARGENT.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, sponsors were deleted from public bills and resolutions as follows:

H.R. 3262: Mr. Frost.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 3736

OFFERED BY: MR. SMITH OF TEXAS

AMENDMENT NO. 1: Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS; AMENDMENTS TO IMMIGRATION AND NATIONALITY ACT.

(a) SHORT TITLE.—This Act may be cited as the ''Temporary Access to Skilled Workers and H–1B Nonimmigrant Program Improvement Act of 1998''.

(b) TABLE OF CONTENTS.—The table of contents of this Act is as follows:

(c) AMENDMENTS TO IMMIGRATION AND NATIONALITY ACT.—Except as otherwise specifically provided in this Act, whenever in this Act an amendment is expressed in terms of an amendment to a section or other provision, the reference shall be considered to be made to that section or other provision of the Immigration and Nationality Act (8 U.S.C. 1101 et seq.).

TITLE I—PROVISIONS RELATING TO H–1B NONIMMIGRANTS

SEC. 101. TEMPORARY INCREASE IN ACCESS TO TEMPORARY SKILLED PERSONNEL UNDER H–1B PROGRAM.

(a) TEMPORARY INCREASE IN SKILLED NONIMMIGRANT WORKERS.—Paragraph (1)(A) of section 214(g) (8 U.S.C. 1184(g)) is amended to read as follows:

''(A) under section 101(a)(15)(H)(i)(b), may not exceed—

''(i) 65,000 in each fiscal year before fiscal year 1998;

''(ii) 85,000 in fiscal year 1998;

''(iii) 95,000 in fiscal year 1999;

''(iv) 105,000 in fiscal year 2000;

''(v) 115,000 in each of fiscal years 2001 and 2002; and

''(vi) 65,000 in each succeeding fiscal year.''.

(b) TEMPORARY CAP ON NONIMMIGRANT, NONPHYSICIAN HEALTH CARE WORKERS.—Section 214(g) (8 U.S.C. 1184(g)) is further amended by adding at the end the following:

''(5) The total number of aliens described in section 212(a)(5)(C) who may be issued visas or otherwise provided nonimmigrant status during each of fiscal years 1999, 2000, 2001, and 2002 under section 101(a)(15)(H)(i)(b) may not exceed 7,500.''.

(c) EFFECTIVE DATES.—The amendment made by subsection (a) applies beginning with fiscal year 1998 and the amendment made by subsection (b) applies beginning with fiscal year 1999.

SEC. 102. PROTECTION AGAINST DISPLACEMENT OF UNITED STATES WORKERS IN CASE OF H–1B-DEPENDENT EMPLOYERS.

(a) PROTECTION AGAINST LAY OFF AND REQUIREMENT FOR PRIOR RECRUITMENT OF UNITED STATES WORKERS.—

(1) ADDITIONAL STATEMENTS ON APPLICATION.—Section 212(n)(1) (8 U.S.C. 1182(n)(1)) is amended by inserting after subparagraph (D) the following:

''(E)(i) In the case of an application described in clause (ii), the employer did not displace and will not displace a United States worker (as defined in paragraph (4)) employed by the employer within the period beginning 90 days before and ending 90 days after the date of filing of any visa petition supported by the application.

''(ii) An application described in this clause is an application filed on or after the date final regulations are first promulgated to carry out this subparagraph (but not earlier than October 1, 1998), and before October 1, 2002, by an H–1B-dependent employer (as defined in paragraph (3)). An application is not described in this clause if the only H–1B nonimmigrants sought in the application are exempt H–1B nonimmigrants.

''(F) In the case of an application described in subparagraph (E)(ii), the employer will not place the nonimmigrant with another employer (regardless of whether or not such other employer is an H–1B-dependent employer) where—

''(i) the nonimmigrant performs duties in whole or in part at one or more worksites owned, operated, or controlled by such other employer; and

''(ii) there are indicia of an employment relationship between the nonimmigrant and such other employer;

unless the employer has inquired of the other employer as to whether, and has no knowledge that, the other employer has displaced or intends to displace a United States worker employed by such other employer within the period beginning 90 days before and ending 90 days after the date of filing of any visa petition supported by the application.

''(G)(i) In the case of an application described in subparagraph (E)(ii), subject to

clause (ii), the employer, prior to filing the application—

''(I) has taken good faith steps to recruit, in the United States using procedures that meet industry-wide standards and offering compensation that is at least as great as that required to be offered to H–1B nonimmigrants under subparagraph (A), United States workers for the job for which the nonimmigrant or nonimmigrants is or are sought; and

''(II) has offered the job to any United States worker who applies and is equally or better qualified for the job for which the nonimmigrant or nonimmigrants is or are sought.

''(ii) The conditions described in clause (i) shall not apply to an application filed with respect to the employment of an H–1B nonimmigrant who is described in subparagraph (A), (B), or (C) of section 203(b)(1).''.

(2) NOTICE ON APPLICATION OF POTENTIAL LIABILITY OF PLACING EMPLOYERS.—Section 212(n)(1) (8 U.S.C. 1182(n)(1)) is amended by adding at the end the following: ''The application form shall include a clear statement explaining the liability under subparagraph (F) of a placing employer if the other employer described in such subparagraph displaces a United States worker as described in such subparagraph.''.

(3) CONSTRUCTION.—Section 212(n)(1) (8 U.S.C. 1182(n)(1)) is further amended by adding at the end the following: ''Nothing in subparagraph (G) shall be construed to prohibit an employer from using selection standards normal or customary to the type of job involved.''.

(b) H–1B-DEPENDENT EMPLOYER AND OTHER DEFINITIONS.—

(1) IN GENERAL.—Section 212(n) (8 U.S.C. 1182(n)) is amended by adding at the end the following:

''(3)(A) For purposes of this subsection, the term 'H–1B-dependent employer' means an employer that—

''(i) has at least 51 full-time equivalent employees who are employed in the United States; and

(ii) employs non-exempt H–1B nonimmigrants in a number that is equal to at least 15 percent of the number of such full-time equivalent employees.

''(B) For purposes of this subsection—

''(i) the term 'exempt H–1B nonimmigrant' means an H–1B nonimmigrant who—

''(I) receives wages (including cash bonuses and similar compensation) at an annual rate equal to at least $60,000; or

''(II) has attained a master's or higher degree (or its equivalent) in a specialty related to the intended employment; and

''(ii) the term 'non-exempt H–1B nonimmigrant' means an H–1B nonimmigrant who is not an exempt H–1B nonimmigrant.

''(C) For purposes of subparagraph (A)—

''(i) in computing the number of full-time equivalent employees, exempt H–1B nonimmigrants shall not be take into account; and

''(ii) any group treated as a single employer under subsection (b), (c), (m), or (o) of section 414 of the Internal Revenue Code of 1986 shall be treated as a single employer.

''(4) For purposes of this subsection:

''(A) The term 'area of employment' means the area within normal commuting distance of the worksite or physical location where the work of the H–1B nonimmigrant is or will be performed. If such worksite or location is within a Metropolitan Statistical Area, any place within such area is deemed to be within the area of employment.

''(B) In the case of an application with respect to one or more H–1B nonimmigrants by an employer, the employer is considered to 'displace' a United States worker from a job if the employer lays off the worker from a job that is essentially the equivalent of the job for which the nonimmigrant or nonimmigrants is or are sought. A job shall not be considered to be essentially equivalent of another job unless it involves essentially the same responsibilities, was held by a United States worker with substantially equivalent qualifications and experience, and is located in the same area of employment as the other job.

''(C) The term 'H–1B nonimmigrant' means an alien admitted or provided status as a nonimmigrant described in section 101(a)(15)(H)(i)(b).

''(D) The term 'lays off', with respect to a worker—

''(i) means to cause the worker's loss of employment, other than through a discharge for inadequate performance, violation of workplace rules, cause, voluntary departure, voluntary retirement, or the expiration of a grant or contract (other than a temporary employment contract entered into in order to evade a condition described in subparagraph (E) or (F) of paragraph (1)); but

''(ii) does not include any situation in which the worker is offered, as an alternative to such loss of employment, a similar employment opportunity with the same employer (or, in the case of a placement of a worker with another employer under paragraph (1)(F), with either employer described in such paragraph) at equivalent or higher compensation and benefits as the position from which the employee was discharged, regardless of whether or not the employee accepts the offer.

''(E) The term 'United States worker' means an employee who—

''(i) is a citizen or national of the United States; or

''(ii) is an alien who is lawfully admitted for permanent residence, is admitted as a refugee under section 207, or is granted asylum under section 208.''.

(2) CONFORMING AMENDMENTS.—Section 212(n)(1) (8 U.S.C. 1182(n)(1)) is amended by striking ''a nonimmigrant described in section 101(a)(15)(H)(i)(b)'' each place it appears and inserting ''an H–1B nonimmigrant''.

(c) IMPROVED POSTING OF NOTICE OF APPLICATION.—Section 212(n)(1)(C)(ii) (8 U.S.C. 1182(n)(1)(C)(ii)) is amended to read as follows:

''(ii) if there is no such bargaining representative, has provided notice of filing in the occupational classification through such methods as physical posting in conspicuous locations at the place of employment or electronic notification to employees in the occupational classification for which H–1B nonimmigrants are sought.''.

(d) EFFECTIVE DATES.—The amendments made by subsections (a) and (c) apply to applications filed under section 212(n)(1) of the Immigration and Nationality Act on or after the date final regulations are issued to carry out such amendments (but not earlier than October 1, 1998), and the amendments made by subsection (b) take effect on the date of the enactment of this Act.

(e) REDUCTION OF PERIOD FOR PUBLIC COMMENT.—In first promulgating regulations to implement the amendments made by this section in a timely manner, the Secretary of Labor and the Attorney General may reduce to not less than 30 days the period of public comment on proposed regulations.

SEC. 103. CHANGES IN ENFORCEMENT AND PENALTIES.

(a) INCREASED ENFORCEMENT AND PENALTIES.—Section 212(n)(2)(C) (8 U.S.C. 1182(n)(2)(C)) is amended to read as follows:

''(C)(i) If the Secretary finds, after notice and opportunity for a hearing, a failure to meet a condition of paragraph (1)(B), (1)(E), or (1)(F), a substantial failure to meet a condition of paragraph (1)(C), (1)(D), or (1)(G)(i)(I), or a misrepresentation of material fact in an application—

''(I) the Secretary shall notify the Attorney General of such finding and may, in addition, impose such other administrative remedies (including civil monetary penalties in an amount not to exceed $1,000 per violation) as the Secretary determines to be appropriate; and

''(II) the Attorney General shall not approve petitions filed with respect to that employer under section 204 or 214(c) during a period of at least 1 year for aliens to be employed by the employer.

''(ii) If the Secretary finds, after notice and opportunity for a hearing, a willful failure to meet a condition of paragraph (1), a willful misrepresentation of material fact in an application, or a violation of clause (iv)—

''(I) the Secretary shall notify the Attorney General of such finding and may, in addition, impose such other administrative remedies (including civil monetary penalties in an amount not to exceed $5,000 per violation) as the Secretary determines to be appropriate; and

''(II) the Attorney General shall not approve petitions filed with respect to that employer under section 204 or 214(c) during a period of at least 1 year for aliens to be employed by the employer.

''(iii) If the Secretary finds, after notice and opportunity for a hearing, a willful failure to meet a condition of paragraph (1) or a willful misrepresentation of material fact in an application, in the course of which failure or misrepresentation the employer displaced a United States worker employed by the employer within the period beginning 90 days before and ending 90 days after the date of filing of any visa petition supported by the application—

''(I) the Secretary shall notify the Attorney General of such finding and may, in addition, impose such other administrative remedies (including civil monetary penalties in an amount not to exceed $25,000 per violation) as the Secretary determines to be appropriate; and

''(II) the Attorney General shall not approve petitions filed with respect to that employer under section 204 or 214(c) during a period of at least 2 years for aliens to be employed by the employer.

''(iv) It is a violation of this clause for an employer who has filed an application under this subsection to intimidate, threaten, restrain, coerce, blacklist, discharge, or in any other manner discriminate against an employee (which term, for purposes of this clause, includes a former employee and an applicant for employment) because the employee has disclosed information to the employer, or to any other person, that the employee reasonably believes evidences a violation of this subsection, or any rule or regulation pertaining to this subsection, or because the employee cooperates or seeks to cooperate in an investigation or other proceeding concerning the employer's compliance with the requirements of this subsection or any rule or regulation pertaining to this subsection.

''(v) The Secretary of Labor and the Attorney General shall devise a process under which an H–1B nonimmigrant who files a complaint regarding a violation of clause (iv) and is otherwise eligible to remain and work in the United States may be allowed to seek other appropriate employment in the United States for a period (not to exceed the duration of the alien's authorized admission as such an nonimmigrant).''.

(b) USE OF ARBITRATION PROCESS FOR DISPUTES INVOLVING QUALIFICATIONS OF UNITED STATES WORKERS NOT HIRED.—

(1) IN GENERAL.—Section 212(n) (8 U.S.C. 1182(n)(2)) is amended by adding at the end the following:

''(5)(A) This paragraph shall apply instead of subparagraphs (A) through (E) of paragraph (2) in the case of a violation described in subparagraph (B).

''(B) The Commissioner shall establish a process for the receipt, initial review, and disposition in accordance with this paragraph of complaints respecting an employer's failure to meet the condition of paragraph (1)(G)(i)(II) or a petitioner's misrepresentation of material facts with respect to such condition. Complaints may be filed by an aggrieved individual who has submitted a resume or otherwise applied in a reasonable manner for the job that is the subject of the condition. No proceeding shall be conducted under this paragraph on a complaint concerning such a failure or misrepresentation unless the Commissioner determines that the complaint was filed not later than 12 months after the date of the failure or misrepresentation, respectively.

''(C) If the Commissioner finds that a complaint has been filed in accordance with subparagraph (B) and there is reasonable cause to believe that such a failure or misrepresentation described in such complaint has occurred, the Commissioner shall initiate binding arbitration proceedings by requesting the Federal Mediation and Conciliation Service to appoint an arbitrator from the roster of arbitrators maintained by such Service. The procedure and rules of such Service shall be applicable to the selection of such arbitrator and to such arbitration proceedings. The Commissioner shall pay the fee and expenses of the arbitrator.

''(D)(i) The arbitrator shall make findings respecting whether a failure or misrepresentation described in subparagraph (B) occurred. If the arbitrator concludes that failure or misrepresentation was willful, the arbitrator shall make a finding to that effect. The arbitrator may not find such a failure or misrepresentation (or that such a failure or misrepresentation was willful) unless the complainant demonstrates such a failure or misrepresentation (or its willful character) by clear and convincing evidence. The arbitrator shall transmit the findings in the form of a written opinion to the parties to the arbitration and the Commissioner. Such findings shall be final and conclusive, and, except as provided in this subparagraph, no official or court of the United States shall have power or jurisdiction to review any such findings.

''(ii) The Commissioner may review and reverse or modify the findings of an arbitrator only on the same bases as an award of an arbitrator may be vacated or modified under section 10 or 11 of title 9, United States Code.

''(iii) With respect to the findings of an arbitrator, a court may review only the actions of the Commissioner under clause (ii) and may set aside such actions only on the grounds described in subparagraph (A), (B), or (C) of section 706(a)(2) of title 5, United States Code. Notwithstanding any other provision of law, such judicial review may only be brought in an appropriate United States Court of Appeals.

''(E) If the Commissioner receives a finding of an arbitrator under this paragraph that an employer has failed to meet the condition of paragraph (1)(G)(i)(II) or has misrepresented a material fact with respect to such condition, unless the Commissioner reverses or modifies the finding under subparagraph (D)(ii)—

''(i) the Commissioner may impose administrative remedies (including civil monetary penalties in an amount not to exceed $1,000 per violation or $5,000 per violation in the case of a willful failure or misrepresentation) as the Commissioner determines to be appropriate; and

''(ii) the Attorney General is authorized to not approve petitions filed with respect to that employer under section 204 or 214(c) during a period of not more than 1 year for aliens to be employed by the employer.''.

(2) CONFORMING AMENDMENT.—The first sentence of section 202(n)(2)(A) (8 U.S.C. 1152(n)(2)(A)) is amended by striking ''The Secretary'' and inserting ''Subject to paragraph (5)(A), the Secretary''.

(c) LIABILITY OF PETITIONING EMPLOYER IN CASE OF PLACEMENT OF H–1B NONIMMIGRANT WITH ANOTHER EMPLOYER.—Section 212(n)(2) (8 U.S.C. 1182(n)(2)) is amended by adding at the end the following:

''(E) If an H–1B-dependent employer places a non-exempt H–1B nonimmigrant with another employer as provided under paragraph (1)(F) and the other employer has displaced or displaces a United States worker employed by such other employer during the period described in such paragraph, such displacement shall be considered for purposes of this paragraph a failure, by the placing employer, to meet a condition specified in an application submitted under paragraph (1); except that the Attorney General may impose a sanction described in subclause (II) of subparagraph (C)(i), (C)(ii), or (C)(iii) only if the Secretary of Labor found that such placing employer—

''(i) knew or had reason to know of such displacement at the time of the placement of the nonimmigrant with the other employer, or

''(ii) has been subject to a sanction under this subparagraph based upon a previous placement of an H–1B nonimmigrant with the same other employer.''.

(d) SPOT INVESTIGATIONS DURING PROBATIONARY PERIOD.—Section 212(n)(2) (8 U.S.C. 1182(n)(2)), as amended by subsection (c), is further amended by adding at the end the following:

''(F) The Secretary may, on a case-by-case basis, subject an employer to random investigations for a period of up to 5 years, beginning on the date that the employer is found by the Secretary to have committed a willful failure to meet a condition of paragraph (1) (or has been found under paragraph (5) to have committed a willful failure to meet the condition of paragraph (1)(G)(i)(II)) or to have made a willful misrepresentation of material fact in an application. The preceding sentence shall apply to an employer regardless of whether or not the employer is an H–1B-dependent employer. The authority of the Secretary under this subparagraph shall not be construed to be subject to, or limited by, the requirements of subparagraph (A).''.

SEC. 104. COLLECTION AND USE OF H–1B NONIMMIGRANT FEES FOR STATE STUDENT INCENTIVE GRANT PROGRAMS AND JOB TRAINING OF UNITED STATES WORKERS.

(a) IMPOSITION OF FEE.—Section 214(c) (8 U.S.C. 1184(c)) is amended by adding at the end the following:

''(9)(A) The Attorney General shall impose a fee on an employer (excluding an employer described in subparagraph (A) or (B) of section 212(p)(1)) as a condition for the approval of a petition filed on or after October 1, 1998, and before October 1, 2002, under paragraph (1) to grant an alien nonimmigrant status described in section 101(a)(15)(H)(i)(b). The amount of the fee shall be $250 for each such nonimmigrant.

''(B) Fees collected under this paragraph shall be deposited in the Treasury in accordance with section 286(t).

''(C)(i) An employer may not require an alien who is the subject of the petition for which a fee is imposed under this paragraph to reimburse, or otherwise compensate, the employer for part or all of the cost of such fee,

''(ii) Section 274A(g)(2) shall apply to a violation of clause (i) in the same manner as it applies to a violation of section 274A(g)(1).''.

(b) ESTABLISHMENT OF ACCOUNT; USE OF FEES.—Section 286 (8 U.S.C. 1356) is amended by adding at the end the following:

''(t) H–1B NONIMMIGRANT PETITIONER ACCOUNT.—

''(1) IN GENERAL.—There is established in the general fund of the Treasury a separate account which shall be known as the 'H–1B Nonimmigrant Petitioner Account'. Notwithstanding any other section of this title, there shall be deposited as offsetting receipts into the account all fees collected under section 214(c)(9).

''(2) USE OF HALF OF FEES BY SECRETARY OF EDUCATION FOR HIGHER EDUCATION GRANTS.—Fifty percent of the amounts deposited into the H–1B Nonimmigrant Petitioner Account shall remain available until expended to the Secretary of Education for additional allotments to States under subpart 4 of chapter 8 of title IV of the Higher Education Act of 1965 but only for the purpose of assisting States in providing grants to eligible students enrolled in a program of study leading to a degree in mathematics, computer science, or engineering.

''(3) USE OF HALF OF FEES BY SECRETARY OF LABOR FOR JOB TRAINING.—Fifty percent of amounts deposited into the deposits into such Account shall remain available until expended to the Secretary of Labor for demonstration programs described in section 104(d) of the Temporary Access to Skilled Workers and H–1B Nonimmigrant Program Improvement Act of 1998.''.

(c) CONFORMING MODIFICATION OF APPLICATION REQUIREMENTS FOR STATE STUDENT INCENTIVE GRANT PROGRAM.—Section 415C(b) of the Higher Education Act of 1965 (20 U.S.C. 1070c–2(b)) is amended—

(1) in paragraph (9), by striking ''and'' at the end;

(2) in paragraph (10), by striking the period at the end and inserting ''; and''; and

(3) by adding at the end the following:

''(11) provides that any portion of the allotment to the State for each fiscal year that derives from funds made available under section 286(t)(2) of the Immigration and Nationality Act shall be expended for grants described in paragraph (2)(A) to students enrolled in a program of study leading to a degree in mathematics, computer science, or engineering.''.

(d) DEMONSTRATION PROGRAMS AND PROJECTS TO PROVIDE TECHNICAL SKILLS TRAINING FOR WORKERS.

(1) IN GENERAL.—Subject to paragraph (3), in establishing demonstration programs under section 452(c) of the Job Training Partnership Act (29 U.S.C. 1732(c)), as in effect on the date of enactment of this Act, or demonstration programs or projects under a successor Federal law, the Secretary of Labor shall establish demonstration programs or projects to provide technical skills training for workers, including both employed and unemployed workers.

(2) GRANTS.—Subject to paragraph (3), the Secretary of Labor shall award grants to carry out the programs and projects described in paragraph (1) to—

(A)(i) private industry councils established under section 102 of the Job Training Partnership Act (29 U.S.C. 1512), as in effect on the date of enactment of this Act; or

(ii) local boards that will carry out such programs or projects through one-stop delivery systems established under a successor Federal law; or

(B) regional consortia of councils or local boards described in subparagraph (A).

(3) LIMITATION.—The Secretary of Labor shall establish programs and projects under paragraph (1), including awarding grants to carry out such programs and projects under

paragraph (2), only with funds made available under section 286(t)(3) of the Immigration and Nationality Act, and not with funds made available under the Job Training Partnership Act or a successor Federal law.

SEC. 105. DETERMINATIONS ON LABOR CONDITION APPLICATIONS TO BE MADE BY ATTORNEY GENERAL.

(a) IN GENERAL.—Section 101(a)(15)(H)(i)(b) (8 U.S.C. 1101(a)(15)(H)(i)(b)) is amended by striking ''with respect to whom'' and all that follows through ''with the Secretary'' and inserting ''with respect to whom the Attorney General determines that the intending employer has filed with the Attorney General''.

(b) CONFORMING AMENDMENTS.—Section 212(n) (8 U.S.C. 1182(n)) is amended—

(1) in paragraph (1), in the matter before subparagraph (A), by striking ''unless the employer has filed with the Secretary of Labor'' and inserting ''unless the employer has filed with the Attorney General'';

(2) in paragraph (1), in the matter following subparagraph (D)—

(A) by striking ''The Secretary shall compile'' and inserting ''The Secretary of Labor shall compile'';

(B) by striking ''The Secretary shall make such list available'' and inserting ''The Secretary of Labor shall make such list available'';

(C) by striking ''The Secretary of Labor shall review such an application'' and inserting ''The Attorney General shall review such an application'';

(D) by amending the last sentence to read as follows: ''The Attorney General shall treat such an application as being filed for purposes of section 101(a)(15)(H)(i)(b) unless the Attorney General finds that the application is incomplete or obviously inaccurate within 7 days of the date of its filing.''; and

(E) by adding at the end the following: ''The employer shall file the application with the employer's petition for a nonimmigrant visa for the alien under section 214(c)(1), and the Attorney General shall transmit a copy of such application to the Secretary of Labor.''; and

(3) in the first sentence of paragraph (2)(A), by striking ''The Secretary shall establish a process'' and inserting ''The Secretary of Labor shall establish a process''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to applications filed on or after such date (not later than April 1, 1999) as the Secretary of Labor and the Attorney General shall publish, at least 30 days in advance of such date, in the Federal Register.

SEC. 106. COMPUTATION OF PREVAILING WAGE LEVEL.

(a) IN GENERAL.—Section 212 (8 U.S.C. 1182) is amended by adding at the end the following:

''(p)(1) In computing the prevailing wage level for an occupational classification in an area of employment for purposes of subsections (n)(1)(A)(i)(II) and (a)(5)(A) in the case of an employee of—

''(A) an institution of higher education (as defined in section 1201(a) of the Higher Education Act of 1965), or a related or affiliated nonprofit entity; or

''(B) a nonprofit research organization or a Governmental research organization;

the prevailing wage level shall only take into account employees at such institutions and organizations in the area of employment.

''(2) With respect to a professional athlete (as defined in subsection (a)(5)(A)(iii)(II)) when the job opportunity is covered by professional sports league rules or regulations, the wage set forth in those rules or regulations shall be considered as not adversely affecting the wages of United States workers similarly employed and be considered the prevailing wage.''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) applies to prevailing wage computations made for applications filed on or after the date of the enactment of this Act.

SEC. 107. IMPROVING COUNT OF H–1B AND H–2B NONIMMIGRANTS.

(a) ENSURING ACCURATE COUNT.—The Attorney General shall take such steps as are necessary to maintain an accurate count of the number of aliens subject to the numerical limitations of section 214(g)(1) of the Immigration and Nationality Act (8 U.S.C. 1184(g)(1)) who are issued visas or otherwise provided nonimmigrant status.

(b) REVISION OF PETITION FORMS.—The Attorney General shall take such steps as are necessary to revise the forms used for petitions for visas or nonimmigrant status under clause (i)(b) or (ii)(b) of section 101(a)(15)(H) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(15)(H)) so as to ensure that the forms provide the Attorney General with sufficient information to permit the Attorney General accurately to count the number of aliens subject to the numerical limitations of section 214(g)(1) of such Act (8 U.S.C. 1184(g)(1)) who are issued visas or otherwise provided nonimmigrant status.

(c) REPORTS.—Beginning with fiscal year 1999, the Attorney General shall provide to the Congress—

(1) on a quarterly basis a report on the numbers of individuals who were issued visas or otherwise provided nonimmigrant status during the preceding 3-month period under section 101(a)(15)(H)(i)(b) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(15)(H)(i)(b)); and

(2) on an annual basis a report on the countries of origin and occupations of, educational levels attained by, and compensation paid to, individuals issued visas or provided nonimmigrant status under such sections during such period.

Each report under paragraph (2) shall include the number of individuals described in paragraph (1) during the year who were issued visas pursuant to petitions filed by institutions or organizations described in section 212(p)(1) of such Act (as added by section 106 of this title).

SEC. 108. REPORT ON AGE DISCRIMINATION IN THE INFORMATION TECHNOLOGY FIELD.

(a) STUDY.—The Director of the Congressional Research Division of the Library of Congress shall enter into a contract with an appropriate entity to conduct a study assessing age discrimination in the information technology field. The study shall consider the following:

(1) The prevalence of age discrimination in the information technology workplace.

(2) The extent to which there is a difference, based on age, in—

(A) promotion and advancement,

(B) working hours,

(C) telecommuting,

(D) salary, and

(E) stock options, bonuses, and other benefits.

(3) The relationship between rates of advancement, promotion, and compensation to experience, skill level, education, and age.

(4) Differences in skill level on the basis of age.

(b) REPORT.—Not later than October 1, 2000, such Director shall submit to the Committees on the Judiciary of the United States House of Representatives and the Senate a report containing the results of the study described in subsection (a).

SEC. 109. REPORT ON HIGH-TECHNOLOGY LABOR MARKET NEEDS.

(a) STUDY.—The National Science Foundation shall conduct a study to assess labor market needs for workers with high technology skills during the next 10 years. The study shall investigate and analyze the following:

(1) Future training and education needs of companies in the high technology and information technology sectors and future training and education needs of United States students to ensure that students' skills at various levels are matched to the needs in such sectors.

(2) An analysis of progress made by educators, employers, and government entities to improve the teaching and educational level of American students in the fields of math, science, computer, and engineering since 1998.

(3) An analysis of the number of United States workers currently or projected to work overseas in professional, technical, and managerial capacities.

(4) The relative achievement rates of United States and foreign students in secondary school in a variety of subjects, including math, science, computer science, English, and history.

(5) The relative performance, by subject area, of United States and foreign students in postsecondary and graduate schools as compared to secondary schools.

(6) The needs of the high-technology sector for foreign workers with specific skills and the potential benefits and costs to United States employers, workers, consumers, postsecondary educational institutions, and the United States economy, from the entry of skilled foreign professionals in the fields of science and engineering.

(7) The needs of the high-technology sector to adapt products and services for export to particular local markets in foreign countries.

(8) An examination of the amount and trend of moving the production or performance of products and services now occurring in the United States abroad.

(b) REPORT.—Not later than October 1, 2000, the National Science Foundation shall submit to the Committees on the Judiciary of the United States House of Representatives and the Senate a report containing the results of the study described in subsection (a).

(c) INVOLVEMENT.—The study under subsection (a) shall be conducted in a manner that assures the participation of individuals representing a variety of points of view.

TITLE II—SPECIAL IMMIGRANT STATUS FOR CERTAIN NATO CIVILIAN EMPLOYEES

SEC. 201. SPECIAL IMMIGRANT STATUS FOR CERTAIN NATO CIVILIAN EMPLOYEES.

(a) IN GENERAL.—Section 101(a)(27) (8 U.S.C. 1101(a)(27)) is amended—

(1) by striking ''or'' at the end of subparagraph (J),

(2) by striking the period at the end of subparagraph (K) and inserting ''; or'', and

(3) by adding at the end the following new subparagraph:

''(L) an immigrant who would be described in clause (i), (ii), (iii), or (iv) of subparagraph (I) if any reference in such a clause—

''(i) to an international organization described in paragraph (15)(G)(i) were treated as a reference to the North Atlantic Treaty Organization (NATO);

''(ii) to a nonimmigrant under paragraph (15)(G)(iv) were treated as a reference to a nonimmigrant classifiable under NATO–6 (as a member of a civilian component accompanying a force entering in accordance with the provisions of the NATO Status-of-Forces Agreement, a member of a civilian component attached to or employed by an Allied Headquarters under the 'Protocol on the Status of International Military Headquarters' set up pursuant to the North Atlantic Treaty, or as a dependent); and

''(iii) to the Immigration Technical Corrections Act of 1988 or to the Immigration and Nationality Technical Corrections Act of 1994 were a reference to the Temporary Access to Skilled Workers and H–1B Nonimmigrant Program Improvement Act of 1998.''.

(b) CONFORMING NONIMMIGRANT STATUS FOR CERTAIN PARENTS OF SPECIAL IMMIGRANT CHILDREN.—Section 101(a)(15)(N) (8 U.S.C. 1101(a)(15)(N)) is amended—

(1) by inserting ''(or under analogous authority under paragraph (27)(L))'' after ''(27)(I)(i)'', and

(2) by inserting ''(or under analogous authority under paragraph (27)(L))'' after ''(27)(I)''.

TITLE III—MISCELLANEOUS PROVISION

SEC. 301. ACADEMIC HONORARIA.

(a) IN GENERAL.—Section 212 (8 U.S.C. 1182), as amended by section 106, is further amended by adding at the end the following:

''(q) Any alien admitted under section 101(a)(15)(B) may accept an honorarium payment and associated incidental expenses for a usual academic activity or activities (lasting not longer than 9 days at any single institution), as defined by the Attorney General in consultation with the Secretary of Education, if such payment is offered by institution or organization described in subsection (p)(1) and is made for services conducted for the benefit of that institution or entity and if the alien has not accepted such payment or expenses from more than 5 institutions or organizations in the previous 6-month period.''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to activities occurring on or after the date of the enactment of this Act.

H.R. 4276

OFFERED BY: MR. CALLAHAN

AMENDMENT NO. 28: Page 53, line 6, after the dollar amount insert ''(reduced by $20,000,000)''.

H.R. 4276

OFFERED BY: MS. JACKSON-LEE OF TEXAS

AMENDMENT NO. 29: Page 38, after line 9, insert the following:

PROHIBITION ON HANDGUN TRANSFER WITHOUT LOCKING DEVICE

SEC. 112. (a) IN GENERAL.—Section 922 of title 18, United States Code, is amended by adding at the end the following:

''(y)(1) It shall be unlawful for any person to transfer a handgun to another person unless a locking device is attached to, or an integral part of, the handgun, or is sold or delivered to the transferee as part of the transfer.

''(2) Paragraph (1) shall not apply to the transfer of a handgun to the United States, or any department or agency of the United States, or a State, or a department, agency, or political subdivision of a State.''.

(b) LOCKING DEVICE DEFINED.—Section 921(a) of such title is amended by adding at the end the following:

''(34) The term 'locking device' means a device which, while attached to or part of a firearm, prevents the firearm from being discharged, and which can be removed or deactivated by means of a key or a mechanically, electronically, or electro-mechanically operated combination lock.''.

H.R. 4276

OFFERED BY: MR. METCALF

AMENDMENT NO. 30: Page 38, after line 9, insert the following:

SEC. 112. Section 110 of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 (8 U.S.C. 1221 note) is repealed.

H.R. 4276

OFFERED BY: MR. METCALF

AMENDMENT NO. 31: At the end of the bill, insert after the last section (preceding the short title) the following:

TITLE IX—ADDITIONAL GENERAL PROVISIONS

SEC. 901. None of the funds made available in this Act may be used to carry out section 110 of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 (8 U.S.C. 1221 note).

H.R. 4276

OFFERED BY: MS. MILLENDER-MCDONALD

AMENDMENT NO. 32: Page 101, line 21 insert ''(increased by $250,000 to be used for the National Women's Business Council as authorized by section 409 of the Women's Business Ownership Act of 1988 (15 U.S.C. 631 note)'' after the dollar amount.

H.R. 4276

OFFERED BY: MR. SCARBOROUGH

AMENDMENT NO. 33: At the end of the bill, insert after the last section (preceding the short title) the following:

TITLE IX—ADDITIONAL GENERAL PROVISIONS

SEC. 901. None of the funds appropriated to the Federal Communications Commission in this Act may be used by the Commission for implementing or enforcing the requirements for telecommunications carriers to contribute to support mechanisms to provide services to schools, libraries, and health care providers under section 254(h) of the Communications Act of 1934 (47 U.S.C. 254(h)).

H.R. 4276

OFFERED BY: MR. STEARNS

AMENDMENT NO. 34: Page 78, line 19, strike ''$475,000,000,'' and insert ''$365,800,000,''.

H.R. 4276

OFFERED BY: MR. STEARNS

AMENDMENT NO. 35: Page 124, after line 2, add the following new title:

TITLE IX—INTERNET GAMBLING PROHIBITION

SEC. 901. SHORT TITLE.

This title may be cited as the ''Internet Gambling Prohibition Act of 1998''.

SEC. 902. DEFINITIONS.

Section 1081 of title 18, United States Code, is amended—

(1) in the matter immediately following the colon, by designating the first 5 undesignated paragraphs as paragraphs (1) through (5), respectively, and indenting each paragraph 2 ems to the right; and

(2) by adding at the end the following:

''(6) BETS OR WAGERS.—The term 'bets or wagers'—

''(A) means the staking or risking by any person of something of value upon the outcome of a contest of others, sporting event of others, or of any game of chance, upon an agreement or understanding that the person or another person will receive something of value based on that outcome;

''(B) includes the purchase of a chance or opportunity to win a lottery or other prize (which opportunity to win is predominantly subject to chance);

''(C) includes any scheme of a type described in section 3702 of title 28, United States Code; and

''(D) does not include—

''(i) a bona fide business transaction governed by the securities laws (as that term is defined in section 3(a)(47) of the Securities Exchange Act of 1934 (15 U.S.C. 78c(a)(47))) for the purchase or sale at a future date of securities (as that term is defined in section 3(a)(10) of the Securities Exchange Act of 1934 (15 U.S.C. 78c(a)(10)));

''(ii) a transaction on or subject to the rules of a contract market designated pursuant to section 5 of the Commodity Exchange Act (7 U.S.C. 7);

''(iii) a contract of indemnity or guarantee;

''(iv) a contract for life, health, or accident insurance; or

''(v) participation in a game or contest, otherwise lawful under applicable Federal or State law—

''(I) that, by its terms or rules, is not dependent on the outcome of any single sporting event, any series or sporting events, any tournament, or the individual performance of 1 or more athletes or teams in a single sporting event;

''(II) in which the outcome is determined by accumulated statistical results of games or contests involving the performances of amateur or professional athletes or teams; and

''(III) in which the winner or winners may receive a prize or award;

(otherwise known as a 'fantasy sport league' or a 'rotisserie league') if such participation is without charge to the participant or any charge to a participant is limited to a reasonable administrative fee.

''(7) FOREIGN JURISDICTION.—The term 'foreign jurisdiction' means a jurisdiction of a foreign country or political subdivision thereof.

''(8) INFORMATION ASSISTING IN THE PLACING OF A BET OR WAGER.—The term 'information assisting in the placing of a bet or wager'—

''(A) means information that is intended by the sender or recipient to be used by a person engaged in the business of betting or wagering to accept or place a bet or wager; and

''(B) does not include—

''(i) information concerning parimutuel pools that is exchanged between or among 1 or more racetracks or other parimutuel wagering facilities licensed by the State or approved by the foreign jurisdiction in which the facility is located, and 1 or more parimutuel wagering facilities licensed by the State or approved by the foreign jurisdiction in which the facility is located, if that information is used only to conduct common pool parimutuel pooling under applicable law;

''(ii) information exchanged between or among 1 or more racetracks or other parimutuel wagering facilities licensed by the State or approved by the foreign jurisdiction in which the facility is located, and a support service located in another State or foreign jurisdiction, if the information is used only for processing bets or wagers made with that facility under applicable law;

''(iii) information exchanged between or among 1 or more wagering facilities that are located within a single State and are licensed and regulated by that State, and any support service, wherever located, if the information is used only for the pooling or processing of bets or wagers made by or with the facility or facilities under applicable State law;

''(iv) any news reporting or analysis of wagering activity, including odds, racing or event results, race and event schedules, or categories of wagering; or

''(v) any posting or reporting of any educational information on how to make a bet or wager or the nature of betting or wagering.''.

SEC. 903. PROHIBITION ON INTERNET GAMBLING.

(a) IN GENERAL.—Chapter 50 of title 18, United States Code, is amended by adding at the end the following:

''§ 1085. Internet gambling

''(a) DEFINITIONS.—In this section:

''(1) CLOSED-LOOP SUBSCRIBER-BASED SERVICE.—The term 'closed-loop subscriber-based

service' means any information service or system that uses—

''(A) a device or combination of devices—

''(i) expressly authorized and operated in accordance with the laws of a State for the purposes described in subsection (e); and

''(ii) by which a person located within a State must subscribe to be authorized to place, receive, or otherwise make a bet or wager, and must be physically located within that State in order to be authorized to do so;

''(B) a customer verification system to ensure that all applicable Federal and State legal and regulatory requirements for lawful gambling are met; and

''(C) appropriate data security standards to prevent unauthorized access.

''(2) GAMBLING BUSINESS.—The term 'gambling business' means a business that is conducted at a gambling establishment, or that—

''(A) involves—

''(i) the placing, receiving, or otherwise making of bets or wagers; or

''(ii) offers to engage in placing, receiving, or otherwise making bets or wagers;

''(B) involves 1 or more persons who conduct, finance, manage, supervise, direct, or own all or part of such business; and

''(C) has been or remains in substantially continuous operation for a period in excess of 10 days or has a gross revenue of $2,000 or more during any 24-hour period.

''(3) INTERACTIVE COMPUTER SERVICE.—The term 'interactive computer service' means any information service, system, or access software provider that uses a public communication infrastructure or operates in interstate or foreign commerce to provide or enable computer access by multiple users to a computer server, including specifically a service or system that provides access to the Internet.

''(4) INTERNET.—The term 'Internet' means the international computer network of both Federal and non-Federal interoperable packet switched data networks.

''(5) PERSON.—The term 'person' means any individual, association, partnership, joint venture, corporation, State or political subdivision thereof, department, agency, or instrumentality of a State or political subdivision thereof, or any other government, organization, or entity.

''(6) PRIVATE NETWORK.—The term 'private network' means a communications channel or channels, including voice or computer data transmission facilities, that use either—

''(A) private dedicated lines; or

''(B) the public communications infrastructure, if the infrastructure is secured by means of the appropriate private communications technology to prevent unauthorized access.

''(7) STATE.—The term 'State' means a State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, or a commonwealth, territory, or possession of the United States.

''(b) GAMBLING.—

''(1) PROHIBITION.—Subject to subsection (e), it shall be unlawful for a person knowingly to use the Internet or any other interactive computer service—

''(A) to place, receive, or otherwise make a bet or wager with any person; or

''(B) to send, receive, or invite information assisting in the placing of a bet or wager with the intent to send, receive, or invite information assisting in the placing of a bet or wager.

''(2) PENALTIES.—A person who violates paragraph (1) shall be—

''(A) fined in an amount that is not more than the greater of—

''(i) three times the greater of—

''(I) the total amount that the person is found to have wagered through the Internet or other interactive computer service; or

''(II) the total amount that the person is found to have received as a result of such wagering; or

''(ii) $500;

''(B) imprisoned not more than 3 months; or

''(C) both.

''(c) GAMBLING BUSINESSES.—

''(1) PROHIBITION.—Subject to subsection (e), it shall be unlawful for a person engaged in a gambling business knowingly to use the Internet or any other interactive computer service—

''(A) to place, receive, or otherwise make a bet or wager; or

''(B) to send, receive, or invite information assisting in the placing of a bet or wager.

''(2) PENALTIES.—A person engaged in a gambling business who violates paragraph (1) shall be—

''(A) fined in an amount that is not more than the greater of—

''(i) the amount that such person received in bets or wagers as a result of engaging in that business in violation of this subsection; or

''(ii) $20,000;

''(B) imprisoned not more than 4 years; or

''(C) both.

''(d) PERMANENT INJUNCTIONS.—Upon conviction of a person under this section, the court may, as an additional penalty, enter a permanent injunction enjoining the transmission of bets or wagers or information assisting in the placing of a bet or wager.

''(e) EXCEPTIONS.—

''(1) IN GENERAL.—Subject to paragraph (2), the prohibitions in this section shall not apply to any—

''(A) otherwise lawful bet or wager that is placed, received, or otherwise made wholly intrastate for a State lottery or a racing or parimutuel activity, or a multi-State lottery operated jointly between 2 or more States in conjunction with State lotteries, (if the lottery or activity is expressly authorized, and licensed or regulated, under applicable Federal or State law) on—

''(i) an interactive computer service that uses a private network, if each person placing or otherwise making that bet or wager is physically located at a facility that is open to the general public; or

''(ii) a closed-loop subscriber-based service that is wholly intrastate; or

''(B) otherwise lawful bet or wager for class II or class III gaming (as defined in section 4 of the Indian Gaming Regulatory Act (25 U.S.C. 2703)) that is placed, received, or otherwise made on a closed-loop subscriber-based service or an interactive computer service that uses a private network, if—

''(i) each person placing, receiving, or otherwise making that bet or wager is physically located on Indian land; and

''(ii) all games that constitute class III gaming are conducted in accordance with an applicable Tribal-State compact entered into under section 11(d) of the Indian Gaming Regulatory Act (25 U.S.C. 2701(d)) by a State in which each person placing, receiving, or otherwise making that bet or wager is physically located.

''(2) INAPPLICABILITY OF EXCEPTION TO BETS OR WAGERS MADE BY AGENTS OR PROXIES.—An exception under subparagraph (A) or (B) of paragraph (1) shall not apply in any case in which a bet or wager is placed, received, or otherwise made by the use of an agent or proxy using the Internet or an interactive computer service. Nothing in this paragraph shall be construed to prohibit the owner operator of a parimutuel wagering facility that is licensed by a State from employing an agent in the operation of the account wagering system owned or operated by the parimutuel facility.

''(f) STATE LAW.—Nothing in this section shall be construed to create immunity from criminal prosecution or civil liability under the law of any State.''.

(b) TECHNICAL AMENDMENT.—The analysis for chapter 50 of title 18, United States Code, is amended by adding at the end the following:

''1085. Internet gambling.''.

SEC. 904. CIVIL REMEDIES.

(a) IN GENERAL.—The district courts of the United States shall have original and exclusive jurisdiction to prevent and restrain violations of section 1085 of title 18, United States Code, as added by section 903, by issuing appropriate orders.

(b) PROCEEDINGS.—

(1) INSTITUTION BY FEDERAL GOVERNMENT.—The United States may institute proceedings under this section. Upon application of the United States, the district court may enter a temporary restraining order or an injunction against any person to prevent a violation of section 1085 of title 18, United States Code, as added by section 903, if the court determines, after notice and an opportunity for a hearing, that there is a substantial probability that such violation has occurred or will occur.

(2) INSTITUTION BY STATE ATTORNEY GENERAL.—

(A) IN GENERAL.—Subject to subparagraph (B), the attorney general of a State (or other appropriate State official) in which a violation of section 1085 of title 18, United States Code, as added by section 903, is alleged to have occurred, or may occur, after providing written notice to the United States, may institute proceedings under this section. Upon application of the attorney general (or other appropriate State official) of the affected State, the district court may enter a temporary restraining order or an injunction against any person to prevent a violation of section 1085 of title 18, United States Code, as added by section 903, if the court determines, after notice and an opportunity for a hearing, that there is a substantial probability that such violation has occurred or will occur.

(B) INDIAN LANDS.—With respect to a violation of section 1085 of title 18, United States Code, as added by section 903, that is alleged to have occurred, or may occur, on Indian lands (as defined in section 4 of the Indian Gaming Regulatory Act (25 U.S.C. 2703)), the enforcement authority under subparagraph (A) shall be limited to the remedies under the Indian Gaming Regulatory Act (25 U.S.C. 2701 et seq.), including any applicable Tribal-State compact negotiated under section 11 of that Act (25 U.S.C. 2710).

(3) ORDERS AND INJUNCTIONS AGAINST INTERNET SERVICE PROVIDERS.—Notwithstanding paragraph (1) or (2), the following rules shall apply in any proceeding instituted under this subsection in which application is made for a temporary restraining order or an injunction against an interactive computer service:

(A) SCOPE OF RELIEF.—

(i) If the violation of section 1085 of title 18, United States Code, originates with a customer of the interactive computer service's system or network, the court may require the service to terminate the specified account or accounts of the customer, or of any readily identifiable successor in interest, who is using such service to place, receive or otherwise make a bet or wager, engage in a gambling business, or to initiate a transmission that violates such section 1085.

(ii) Any other relief ordered by the court shall be technically feasible for the system or network in question under current conditions, reasonably effective in preventing a

violation of section 1085, of title 18, United States Code, and shall not unreasonably interfere with access to lawful material at other online locations.

(iii) No relief shall be issued under subparagraph (A)(ii) if the interactive computer service demonstrates, after an opportunity to appear at a hearing, that such relief is not economically reasonable for the system or network in question under current conditions.

(B) CONSIDERATIONS.—In the case of an application for relief under subparagraph (A)(ii), the court shall consider, in addition to all other factors that the court shall consider in the exercise of its equitable discretion, whether—

(i) such relief either singularly or in combination with such other injunctions issued against the same service under this subsection, would seriously burden the operation of the service's system network compared with other comparably effective means of preventing violations of section 1085 of title 18, United States Code;

(ii) in the case of an application for a temporary restraining order or an injunction to prevent a violation of section 1085 of title 18, United States Code, by a gambling business (as is defined in such section 1085) located outside the United States, the relief is more burdensome to the service than taking comparably effective steps to block access to specific, identified sites used by the gambling business located outside the United States; and

(iii) in the case of an application for a temporary order or an injunction to prevent a violation of section 1085 of title 18, United States Code, as added by section 903, relating to material or activity located within the United States, whether less burdensome, but comparably effective means are available to block access by a customer of the service's system or network to information or activity that violates such section 1085.

(C) FINDINGS.—In any order issued by the court under this subsection, the court shall set forth the reasons for its issuance, shall be specific in its terms, and shall describe in reasonable detail, and not be reference to the complaint or other document, the act or acts sought to be restrained and the general steps to be taken to comply with the order.

(4) EXPIRATION.—Any temporary restraining order or preliminary injunction entered pursuant to this subsection shall expire if, and as soon as, the United States, or the attorney general (or other appropriate State official) of the State, as applicable, notifies the court that issued the injunction that the United States or the State, as applicable, will not seek a permanent injunction.

(c) EXPEDITED PROCEEDINGS.—

(1) IN GENERAL.—In addition to proceedings under subsection (b), a district court may enter a temporary restraining order against a person alleged to be in violation of section 1085 of title 18, United States Code, as added by section 903, upon application of the United States under subsection (b)(1), or the attorney general (or other appropriate State official) of an affected State under subsection (b)(2), without notice and the opportunity for a hearing, if the United States or the State, as applicable, demonstrates that there is probable cause to believe that the transmission at issue violates section 1085 of title 18, United States Code, as added by section 903.

(2) EXPIRATION.—A temporary restraining order entered under this subsection shall expire on the earlier of—

(A) the expiration of the 30-day period beginning on the date on which the order is entered; or

(B) the date on which a preliminary injunction is granted or denied.

(3) HEARINGS.—A hearing requested concerning an order entered under this subsection shall be held at the earliest practicable time.

(d) RULE OF CONSTRUCTION.—In the absence of fraud or bad faith, no interactive computer service (as defined in section 1085(a) of title 18, United States Code, as added by section 903) shall be liable for any damages, penalty, or forfeiture, civil or criminal, for any reasonable course of action taken to comply with a court order issued under subsection (b) or (c) of this section.

(e) PROTECTION OF PRIVACY.—Nothing in this title or the amendments made by this title shall be construed to authorize an affirmative obligation on an interactive computer service—

(1) to monitor use of its service; or

(2) except as required by an order of a court, to access, remove or disable access to material where such material reveals conduct prohibited by this section and the amendments made by this section.

(f) NO EFFECT ON OTHER REMEDIES.—Nothing in this section shall be construed to affect any remedy under section 1084 or 1085 of title 18, United States Code, as amended by this title, or under any other Federal or State law. The availability of relief under this section shall not depend on, or be affected by, the initiation or resolution of any action under section 1084 or 1085 of title 18, United States Code, as amended by this title, or under any other Federal or State law.

(g) CONTINUOUS JURISDICTION.—The court shall have continuous jurisdiction under this section to enforce section 1085 of title 18, United States Code, as added by section 903.

SEC. 905. REPORT ON ENFORCEMENT.

Not later than 3 years after the date of enactment of this Act, the Attorney General shall submit a report to Congress that includes—

(1) an analysis of the problems, if any, associated with enforcing section 1085 of title 18, United States Code, as added by section 903;

(2) recommendations for the best use of the resources of the Department of Justice to enforce that section; and

(3) an estimate of the amount of activity and money being used to gamble on the Internet.

SEC. 906. REPORT ON COSTS.

Not later than 3 years after the date of enactment of this Act, the Secretary of Commerce shall submit a report to Congress that includes—

(1) an analysis of existing and potential methods or technologies for filtering or screening transmissions in violation of section 1085 of title 18, United States Code, as added by section 903, that originate outside of the territorial boundaries of any State or the United States;

(2) a review of the effect, if any, on interactive computer services of any court ordered temporary restraining orders or injunctions imposed on those services under this section;

(3) a calculation of the cost to the economy of illegal gambling on the Internet, and other societal costs of such gambling; and

(4) an estimate of the effect, if any, on the Internet caused by any court ordered temporary restraining orders or injunctions imposed under this title.

SEC. 907. SEVERABILITY.

If any provision of this title, an amendment made by this title, or the application of such provision or amendment to any person or circumstance is held to be unconstitutional, the remainder of this title, the amendments made by this title, and the application of the provisions of such to any person or circumstance shall not be affected thereby.

H.R. 4328

OFFERED BY: MR. BARR OF GEORGIA

AMENDMENT NO. 1: At the appropriate place in the bill, insert the following:

SEC. ___. None of the funds appropriated by this Act may be used to carry out section 656 of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 (5 U.S.C. 301 note; 110 Stat. 3009–716 through 3009–719) and any regulation issued to carry out such section.

H.R. 4328

OFFERED BY: MS. JACKSON-LEE OF TEXAS

AMENDMENT NO. 2: Page 30, line 10, after ''$59,670,000'' insert ''(decreased by $2,000,000)''.

Page 30, after line 11, insert the following: $2,000,000 for a major investment study for an alternative transportation system in the city of Houston;

H.R. 4328

OFFERED BY: MR. NADLER

AMENDMENT NO. 3: At the end of title III, insert the following:

SEC. 347. None of the funds made available in this Act may be used for improvements to the Miller Highway in New York City.

United States
of America

Congressional Record

PROCEEDINGS AND DEBATES OF THE *105th* CONGRESS, SECOND SESSION

Vol. 144 WASHINGTON, WEDNESDAY, JULY 29, 1998 *No. 104*

Senate

The Senate met at 9:30 a.m., and was called to order by the President pro tempore (Mr. THURMOND).

PRAYER

The Chaplain, Dr. Lloyd John Ogilvie, offered the following prayer:

Almighty God, whose love casts out fear, You are our refuge and strength, a very present help in times of trouble. We come to You for the replenishment of our souls. Grant us a profound experience of Your concern for each of us, as if there were only one of us, and yet, for all of us as we work together. Break down the walls we build around our souls. So often, we hold You at arm's length, usually when we need You the most. Make our souls Your home. Fill us with the security and serenity we need to face the challenges of this day. Bless the women and men of this Senate. Grip them with the conviction that their labors today are sacred and that they will be given supernatural strength, vision, and guidance. Thank You in advance for a truly productive day. Through our Lord and Savior. Amen.

RECOGNITION OF THE ACTING MAJORITY LEADER

The PRESIDENT pro tempore. The able acting majority leader, the distinguished Senator from Colorado, is recognized.

SCHEDULE

Mr. CAMPBELL. Mr. President, this morning the Senate will resume consideration of the Treasury-Postal appropriations bill. Senator ASHCROFT will be immediately recognized to offer his marriage penalty amendment. It is expected a motion to table the Ashcroft amendment will be offered after a reasonable amount of debate time. Following that vote, it is hoped that Members will come to the floor to offer and debate remaining amendments on the Treasury bill.

Upon disposition of the Treasury appropriations bill, the Senate may begin consideration of the foreign operations appropriations bill, health care reform, any other appropriations bills or conference reports as available, and any other legislative or executive items cleared for action. Therefore, Members should expect a late night session, with votes throughout the day, as the Senate attempts to complete its work prior to the August recess.

Finally, the leader would like to remind Members that the Senate will recess today from 12:30 until 2:15 to allow the weekly party caucuses to meet.

I thank the President and yield the floor.

RESERVATION OF LEADER TIME

The PRESIDING OFFICER (Mr. ENZI). Under the previous order, the leadership time is reserved.

TREASURY AND GENERAL GOVERNMENT APPROPRIATIONS ACT, 1999

The PRESIDING OFFICER. Under the previous order, the Senate will now resume consideration of S. 2312, which the clerk will report.

The bill clerk read as follows:

A bill (S. 2312) making appropriations for the Treasury Department, the United States Postal Service, the Executive Office of the President, and certain Independent Agencies, for the fiscal year ending September 30, 1999, and for other purposes.

The Senate resumed consideration of the bill.

Pending:

Thompson amendment No. 3353, to require the addition of use of forced or indentured child labor to the list of grounds on which a potential contractor may be debarred or suspended from eligibility for award of a Federal Government contract.

The PRESIDING OFFICER. Under the previous order, the Senator from Missouri, Mr. ASHCROFT, is recognized to offer an amendment regarding the marriage penalty.

Mr. ASHCROFT addressed the Chair.

The PRESIDING OFFICER. The Senator from Missouri.

Mr. ASHCROFT. Mr. President, in collaborating with my colleague, the Senator from Kansas, I have agreed with him that he would offer the amendment on the floor.

Mr. BROWNBACK addressed the Chair.

The PRESIDING OFFICER. The Senator from Kansas.

AMENDMENT NO. 3359

(Purpose: To amend the Internal Revenue Code of 1986 to provide that married couples may file a combined return under which each spouse is taxed using the rates applicable to unmarried individuals)

Mr. BROWNBACK. I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Kansas [Mr. BROWNBACK], for himself, Mr. ASHCROFT, Mr. INHOFE, Mr. GRAMS, Mr. SMITH of New Hampshire and Mrs. HUTCHISON, proposes an amendment numbered 3359.

Mr. BROWNBACK. I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place insert the following:

SEC. ___. COMBINED RETURN TO WHICH UNMARRIED RATES APPLY.

(a) IN GENERAL.—Subpart B of part II of subchapter A of chapter 61 of the Internal Revenue Code of 1986 (relating to income tax returns) is amended by inserting after section 6013 the following new section:

"SEC. 6013A. COMBINED RETURN WITH SEPARATE RATES.

''(a) GENERAL RULE.—A husband and wife may make a combined return of income taxes under subtitle A under which—

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

''(1) a separate taxable income is determined for each spouse by applying the rules provided in this section, and

''(2) the tax imposed by section 1 is the aggregate amount resulting from applying the separate rates set forth in section 1(c) to each such taxable income.

''(b) DETERMINATION OF TAXABLE INCOME.—

''(1) IN GENERAL.—For purposes of subsection (a)(1), the taxable income for each spouse shall be one-half of the taxable income computed as if the spouses were filing a joint return.

''(2) NONITEMIZERS.—For purposes of paragraph (1), if an election is made not to itemize deductions for any taxable year, the basic standard deduction shall be equal to the amount which is twice the basic standard deduction under section 63(c)(2)(C) for the taxable year.

''(c) TREATMENT OF CREDITS.—Credits shall be determined (and applied against the joint liability of the couple for tax) as if the spouses had filed a joint return.

''(d) TREATMENT AS JOINT RETURN.—Except as otherwise provided in this section or in the regulations prescribed hereunder, for purposes of this title (other than sections 1 and 63(c)) a combined return under this section shall be treated as a joint return.

''(e) REGULATIONS.—The Secretary shall prescribe such regulations as may be necessary or appropriate to carry out this section.''

(b) UNMARRIED RATE MADE APPLICABLE.—So much of subsection (c) of section 1 of such Code as precedes the table is amended to read as follows:

''(c) SEPARATE OR UNMARRIED RETURN RATE.—There is hereby imposed on the taxable income of every individual (other than a married individual (as defined in section 7703) filing a joint return or a separate return, a surviving spouse as defined in section 2(a), or a head of household as defined in section 2(b)) a tax determined in accordance with the following table:''.

(c) CLERICAL AMENDMENT.—The table of sections for subpart B of part II of subchapter A of chapter 61 of such Code is amended by inserting after the item relating to section 6013 the following:

''Sec. 6013A. Combined return with separate rates.

(d) BUDGET DIRECTIVE.—The members of the conference on the congressional budget resolution for fiscal year 1999 shall provide in the conference report sufficient spending reductions to offset the reduced revenues received by the United States Treasury resulting from the amendments made by this section.

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after the date of the enactment of this Act.

Mr. BROWNBACK. Mr. President, the amendment we have offered would eliminate the marriage penalty, and that is an item of discussion we want to discuss this morning—the Senator from Missouri and myself. A number of people have been involved in this discussion. The Senator from Texas, Senator HUTCHISON, has been one of the leading proponents of this particular issue of doing away with the marriage penalty.

Our amendment to eliminate the marriage penalty, which is being cosponsored by Senator ASHCROFT, Senator INHOFE, Senator GRAMS, would reinstate income splitting and provide married couples who currently labor under the onerous burden of our Tax Code with much needed relief.

Our amendment doubles the standard deduction for married couples. It is a very simple amendment. It doubles the standard deduction for married couples.

Currently, the single standard deduction is $4,150, while the marriage standard deduction is only $6,900. Our amendment would raise the standard deduction for all married couples to $8,300, precisely double what it currently is for single people.

That is just the heart and soul—that is the guts of what this is about. We are trying to make the field the same for married couples as it is for singles. We think this will send a powerful signal to the institution of marriage that is central to family involvement in this country and saying that if you get married, we are not going to tax you more than if you are single living together.

That is the simple statement here. You ask people across the country, Is this a good thing to do? And they clearly say, yes. It makes no sense that right now we tax married couples, tax two-wage-earner families more than we do single individuals. This much needed amendment would provide hard-working American families with the tax relief they deserve but have not gotten from this Congress.

Over the past month, the Senate has considered several spending bills, bills which increase the size of Government and which call upon the taxpayers to yield even more of their personal income to the Federal Government.

As many of my colleagues know, during consideration of the budget resolution, I, along with several of my colleagues, Senator ASHCROFT, Senator HUTCHISON, Senator INHOFE, Senator SMITH, Senator GRAMS, called for larger tax cuts to be considered this year. Unfortunately, it appears with only a little amount of time left in this session that we are running out of time.

We have to put this issue forward now. We need to give the American taxpayers relief. We ought to have the integrity to keep our promises to the American people by eliminating the marriage penalty this session. The Senate leader has been very supportive of this effort. This is his top priority as well, to eliminate the marriage penalty. The American people sent us to Congress to lower taxes and to cut Government spending. And this Congress has gotten some of that done, but not enough. Clearly, we need to keep moving forward on tax cuts. Let us get our work done now and let us get it done for the American people.

Unfortunately, because we have failed to get a resolution that calls for elimination of the marriage penalty, I am offering this amendment, along with five of my colleagues, in order to give the taxpayers the relief they deserve.

Mr. President, at the appropriate time I will be calling for the yeas and nays. I just want to make a point about what this amendment does. We currently have in our Tax Code that if you have a two-wage-earner family, and their combined income is between $22,000 and $70,000, you have what is called effectively a marriage penalty. You pay more tax if you exist in this category—a two-wage-earner family between $22,000 and $70,000—you pay more tax than if the two people would just live together. It is called the marriage penalty. It amounts to about $150 billion over a 5-year time period that we are taxing people.

I have letters here, testimonials of people who said, ''You know what? We were thinking about getting married, and then we couldn't because of the tax structure that was penalizing us for getting married.''

Listen to this gentleman. He is from Columbus, OH, a gentleman by the name of Thomas, who I will leave out his last name.

Thank you so much for addressing this issue. I am engaged to be married and my fiance and I have discussed the fact that we will be penalized financially. We have postponed the date of our marriage in order to save up and have a ''running start'' in part because of this nasty, unfair tax structure.

There are two economists in this country who every year get divorced at the end of the year so that they can file separately and then are married the first part of the next year and then use the money to have a celebration with. Is that the sort of tax policy that we should have in America that encourages that type of situation to take place?

This is a lady from Alberton, MT:

My husband and I both work. We are 50 and 55 years old. This is a second marriage for both of us. We delayed our marriage for a number of years because of the tax consequences, and lived together. I caused a great deal of stress and lots of anguish amongst our family as this was not the way we were raised. We finally took the tax hit—

Listen to that—

We finally took the tax hit and married to make my family happy. This marriage penalty is awful!

That is from Alberton, MT, that that couple writes.

Is that the sort of thing we want to encourage our couples to be a part of or to have that sort of difficulty? I just don't think so.

This one from Iowa: ''I think the marriage penalty is an outrage, yet another way the government stops us from being moral citizens.'' Can you believe that? They are writing, it ''stops us from being moral citizens.''

''I really hope this bill passes. I'm taxed enough as it is. I don't mind paying taxes, but enough is enough.'' That is Joe from Des Moines, IA, writing that.

This from Wichita, KS, my home State: ''I appreciate you helping me and millions of other Americans.'' And I should mention, this affects 21 million American families—21 million American families—many of them just getting started as family members. ''I

appreciate your helping me and millions of other Americans who are struggling to keep their families together. I work full time for county government. My wife is a stay at home mom who works. I have four children and it is a challenge to pay the bills but we still do it. It would help us if the government helped us and killed the marriage penalty. A fair tax system would certainly be helpful to us.''

They go on and on. I have pages of people who are writing in about the marriage penalty and the impact that it has had upon them. Listen to this from Union, KY: ''Before we set a wedding date, I calculated the tax implications. Since we each earned in the low $30,000s, the Federal marriage penalty [was how this gentleman cited it] was over $3,000. What a wonderful gift from the IRS.'' Are those the sort of gifts we want to send?

This is from Indiana: ''I can't tell you how disgusted we both are over this tax issue. If we get married, not only would I forfeit my $900 refund check, we would be writing a check to the IRS for $2,800. Darrell and I would very much like to be married and I must say it break our hearts to find out we can't afford it.'' Can't afford to get married, thanks to the marriage penalty.

From Ohio: ''I'm engaged to be married and my fiance and I have discussed the fact that we will be penalized financially.''

Here is from Baltimore, MD: ''I am a 23-year-old, a marriage penalty victim for 4 years now. I'm a union electrician who works hard to put food on the table to take care of my family.'' Then he asks a simple question: ''Why is the government punishing me just because I'm married?''

That is a simple question that Senator ASHCROFT from Missouri and I and a number of other people ask who want to do away with this most onerous, wrongheaded, bad signal of a tax. That is the marriage penalty. That is why we are putting this bill forward here today, to deal with this particular situation. It is time we do it.

I want to address one other topic on this before allowing other Senators to speak, because I know a number want to address this particular issue; that is, whether or not we can pay for this issue. Let me say simply we can pay for this issue and wall off all the payments coming to Social Security that are in surplus for Social Security. You are going to hear a number of people attacking from the other side, saying we cannot do this because it will take from Social Security. Then they try to pit Social Security against marriage. It is a false choice.

We can preserve the entire flow of resources going to Social Security, the entire payroll tax, and do this marriage penalty lifting, which ought to be done for a positive signal and for the working families of this country.

CBO last week said we had $520 billion surplus they projected over the next 5 years—$520 billion. We are talking, with this particular marriage penalty, just over $151 billion. So about $1.5 out of $5. Any surplus that is coming into Social Security we wall off and we say that should go to Social Security, and we can do it. Do not listen to the other side saying we are taking from Social Security to deal with the marriage penalty. We are not. We don't have to do it that way. We are not doing it that way. I do not support doing it that way.

We support keeping Social Security safe and sound, and any flow of resources into Social Security stays in there. We should create a real trust fund and actually put the resources there. We can and we should. I believe we must, for the foundational institution of this democracy, the family, and particularly the marriage, do this repealing of this marriage penalty that penalizes two-wage-earner families making between $22,000 and $70,000. Many of those are newlywed, starting a family, with young children involved. This involves 21 million American families. It is time we do away with this terrible tax penalty.

At a later date, I will respond to some of the accusations I think will probably be coming from the other side. The Senator from Missouri, Senator ASHCROFT, has been a key champion of this particular issue, as I have noted, and a number of other people have as well, including Senator HUTCHISON of Texas, and I know they want to speak on this particular issue.

I yield to the Senator from Missouri on this particular amendment.

Mr. ASHCROFT. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. CAMPBELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CAMPBELL. Mr. President, I ask unanimous consent the following be the only amendments in order, other than the pending amendment to the pending legislation, subject to relevant second-degree amendments. The list has about 56 amendments on it, and with Senator KOHL's approval, I will submit the list rather than going through the reading.

The PRESIDING OFFICER. Without objection, it is so ordered.

The list is as follows:

Campbell—Relevant.
Lott—Relevant.
Lott—Relevant.
Faircloth—Sense of the Senate breast cancer stamp.
Faircloth—Exchange stabilization.
DeWine—Abortion Federal health plans.
DeWine—Customs drug interdiction.
B. Smith—Employee benefit programs.
Mack—Immigration.
KB Hutchison—SEHBP.
Jeffords—Postal location.
Ashcroft—Marriage tax.
Brownback—2nd degree to Ashcroft.
McConnell—Relevant.
Domenici—Fed. law enforcement training center.
Coverdell—Fed. Law Enforcement training center.
Abraham—Family impact statement.
Jeffords—Fed. contractor retirement report.
Stevens—Duty free stores.
Stevens—Relevant.
Mack—GSA land conveyance.
Jeffords—Child care.
Thompson—Federal regulatory programs.
Hatch—Relevant.
Gramm—Relevant.
Managers package.
Lott—Relevant.
Lott—Relevant.
Lott—Relevant.
Baucus—Post office locations.
Bingaman—Relevant.
Bingaman—HIDTA.
Bingaman—Relevant.
Byrd—Relevant.
Byrd—Relevant.
Cleland—FEC—independent litigation authority.
Cleland—FEC—7th member.
Cleland—FEC—fully fund.
Conrad—High intensity drug trafficking.
Daschle—Relevant.
Daschle—Relevant.
Daschle—Internal Revenue Code.
Daschle—Internal Revenue Code.
Daschle—Internal Revenue Code.
Dorgan—Canadian grain.
Dorgan—Advisory cmte intergovernmental relations.
Feingold—Relevant.
Feingold—Relevant.
Feingold—Relevant.
Glenn—$2.8 million FEC—offset GSA.
Graham—Haiti.
Graham—HIDTA.
Graham—Counter drug funding.
Harkin—Environmental preferably products.
Harkin—Drug control.
Kohl—Managers amendment.
Kohl—Relevant.
Kohl—Relevant.
Kerrey—Sense of the Senate: Priority on payroll tax cuts.
Lautenberg—Sense of Congress.
Reid—Contraceptives.
Wellstone—P.O. designation.
Wellstone—Relevant.
Wellstone—Relevant.
Wellstone—Relevant.

Mr. CAMPBELL. I yield the floor and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. ASHCROFT. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ASHCROFT. Mr. President, I rise to support this amendment, the Brownback-Ashcroft amendment, to eliminate the marriage penalty in the Tax Code. I do so with a sense of enthusiasm.

As I have had the opportunity to engage citizens in my home State of Missouri, or whether I am in some other location, I have found, and I do find on a regular basis, that people understand that the most important component of this culture is not its Government in

Washington, DC. It is not even the governments that we find in the State capitals of the United States. The best and most important component of governing America is to be found in families. As a matter of fact, I had the privilege of saying on this floor several weeks ago that if moms and dads in America can do their job, governing America will be easy. But if moms and dads in America can't do their job, governing America will be impossible.

I think this is an understanding that we share and is shared from Boston to Brooklyn to Bozeman. It doesn't matter what town you are in, people understand that the future, the success, the survival of this Republic in the next century is probably more related to whether or not we have successful families than any other single component of what happens in this society. Sure, it is important what we do in Congress. Sure, it is important what happens on Wall Street. But what happens on Main Street and on Elm Street and in the subdivisions of America where families exist, where families work to transmit values from one generation to the next, in an institution which has long been revered and always will be revered, an institution which shapes the character of our culture—that is what is truly important.

As I rise to support this amendment that would eliminate the attack on the family that is leveled by our Tax Code, I do so with a sense that this elimination is long overdue. If we really want to be successful in the future—and I think that is the business of government, helping create an environment in which individuals can succeed and in which institutions can succeed—there are lots of reasons to think we are here. But I think we simply want to build a setting in which we have the right conditions for people to flourish, for people to grow, for people to reach the maximum of the potential that God has placed within them. If we are going to do that, we need to do things that encourage structures like the family, instead of attack structures like the family.

The marriage penalty attack is really not just on the family, but it attacks the core institution of the family. A marriage is what a family is built around. It is built on the durable, lasting, legally sanctioned, and enforced commitment of individuals to be together and to help each other as long as they live. There aren't very many things that work that way in our culture. There are a few things they claim to have lifetime guarantees on, and the like. But I don't think there are any institutions that are quite as lasting and helpful, which really strengthen our culture as effectively as families do.

You can get products that say they are guaranteed for life. I was amused by the fellow who said he was running a parachute company. Somebody asked, ''Are they any good?'' He said, ''We guarantee them for life.'' I don't know if we would be particularly impressed with that. But the family is focused on and built on marriage, which is designed to be a lasting, durable relationship, sanctioned by law. I think we should do what we can to foster it, since it is most likely to be the thing that provides the basis for our success. This isn't something new, as a matter of fact, in our culture.

America hasn't been great because we had great government or because we had great business; we have had greatness in America because of the hearts of the people. Alexis de Tocqueville, about 160 years ago, came here from France to try to assess what is it about this country that makes it dynamic, that makes this country something that is catching the eye of the entire world. He wrote back—and I have to paraphrase—that he didn't find the greatness of America in the Halls of Congress, but he found it in the homes of the people. He didn't find it in politics; he found it in pulpits. He was really saying that the greatness of America is something that is resident in the values and character of America. He focused on the fact that that happens down beneath the big, overarching concerns of Government, found in the institution that is singularly identified as the most important institution in our culture—the family.

So it is no wonder that people raise their eyebrows when they finally learn what is happening to the family as a result of the Tax Code. I support this effort to eliminate the penalty that the Tax Code imposes on people when they get married. I commend the Senator from Kansas for his outstanding recounting and relating the individual details of the couple from Montana and another couple from Indiana, and different people around the country, who have written to say, for goodness' sake, stop penalizing us and making it impossible for us to really make the kind of marriage that we want to have, making Government attack marriage through the Tax Code.

Frankly, American policy should reflect the principles of the American people. It is time, instead of our policy attacking the principles, to reinforce the principles. One principle is that we don't want to say to people: Don't get married. We don't want to say that we will make it more expensive to get married, we will fine you or penalize you. We want to say: Look, we think marriage is a good thing, and we understand that the values that are transmitted in marriages, the character that is formed there, is the basis for societal success, not only in this but the next century. We want to encourage it.

So it is time for us to get out our eraser, if you will, and to return America to a tax policy that does not discriminate against marriage. I say ''return'' America, because we haven't always had a discriminatory policy against marriage. But the marriage penalty began to creep into our tax law a couple of decades ago. Its onerous, negative impact on this most important institution is really a scar on the body politic, and it is a wound that we can ill afford to allow to deepen. We must close this wound and restore this culture to the kind of health that has made America great.

Last April, a group of like-minded Senators and I, including the good Senator from Kansas, Senator BROWNBACK, and others, stated our intention to oppose the Senate's budget resolution, unless meaningful tax cuts were added. We have noted that the United States of America is now charging people to live here more than we have ever charged people to live here before—the highest tax rates in history. Our Government is charging more. We are taking more of people's money for Government, leaving less of people's money for themselves and their families than ever before in the history of the country.

For some, I guess, who like Government and prefer not to make their own decisions about how they live and want to have a bureaucrat buy for them what is to be purchased in the less than efficient system known as ''Government,'' that might be OK. But to me, I am shocked. Why in the world should we be paying the highest taxes in history when we are not at war? As a matter of fact, the highest taxes have not even gone to support defense. I think a number of us are a little bit alarmed about the condition of the Nation's defense. We have slashed the defense budget. We have curtailed it immeasurably to the point where I am not sure we are ready to prepare ourselves. We have skyrocketed other bureaucratic spending in Government. While we have slashed the spending of the defense establishment, we have also slashed the capacity of families to spend their own money. So we are rocking along at the highest tax rates in history, and it is peacetime.

So last April, a group of us said we were not going to vote for a budget from this Senate, unless we put meaningful potentials for tax relief in that budget. We were promised that eliminating the marriage penalty would be the Senate's top priority for 1998. The leadership of the Senate promised us we would not only have an opportunity to try to reduce taxes substantially and significantly—not the $30 billion gesture over 5 years—incidentally, $30 billion over 5 years would buy about one cup of coffee per month per person, if you left a little tip. That is really not tax relief.

So here we are; today is July 29 and there are only 31 legislative days left in the session. Yet, we are not any closer to giving the American people tax cuts than we were 3 months ago. I have led the mini revolt against the budget in order to get real potentials for tax relief on the table. I believe it is time for us to say we need real tax relief, and the marriage penalty would be the brightest and best opportunity to provide tax relief that not only reduces

taxes, but it would begin to align the policy of the United States with the principles of the American people. Of course, that embracing principle that everybody understands is the need for strong families.

Now, to add insult to injury—I don't know whether it is an insult or not—but the Congressional Budget Office came out with new numbers on the projected Government surplus. Here the Senate had agreed that we would do $30 billion, maybe, in tax cuts. The Congressional Budget Office just announced in the last 10 days that the projected surplus is over $520 billion. Wait a second—$30 billion to let the people have, which they earned, and we were going to take the other $490 billion and spend it, in spite of the fact that we were already taxing people at the highest rates in history. I wonder about that.

So we have come forward today. I thank Senator BROWNBACK and Senator HUTCHISON for sponsoring this kind of legislation. I am honored to be a person who is helping organize this approach to say we need substantial and significant tax relief. We are not asking that we take the entire $520 billion. We are not even asking that we take a majority. But we are asking that at least the onerous affront to the values of the American people, this attack on marriages, be taken from our Tax Code.

It would cost about $151.3 billion, I think, to do this over 5 years. So, if you subtract that from the $520 billion, you could figure out that you still have about $360 billion over the next 5 years. That is an amazing sum.

We are not even asking for 1 out of 3 dollars, or what would be equivalent to 1 out of 3 dollars, of the surplus to say leave it in the pockets of people who work hard to earn it. Don't sweep that money away to be spent by the bureaucracy. And, for heaven's sake, let's not send a signal to people, don't get married in this culture, don't begin to form the basis for this most important institution of America. We need to say, indeed, we want marriages; we want intact families; we want the lasting, durable—yes, legally recognized—formal commitments of marriage upon which to build our family.

We stand here at the end of July on the heels of a month-long recess coming up in August. And there is a real possibility that Congress will not pass a budget reconciliation and will not deliver on the tax cut that was promised to the American people. We ought to shout at the top of our lungs, ''No, no.'' We do not want to miss this opportunity, with this substantial capacity in our system, to begin to grant relief to the people, especially to have a cease-fire on American marriages. It is time for us to declare peace instead of declaring war on the principles of the American people when it comes to tax policy. We need a tax policy that represents the people's principles. Let's declare peace in terms of our policy on marriage.

Mr. President, our society has affirmed the importance of marriage and family for a long time. Most Americans would agree that persistent, durable marriages and strong families are absolutely necessary if we are to succeed as a nation in the 21st century. Yet, for 30 years—nearly 30 years—in the last three decades politicians have idly watched as the Federal Income Tax Code has systematically penalized millions of people for having been married. In fact, this last year, 42 million married taxpayers collectively paid $29 billion—that is with a ''b,'' not with an ''m''—$29 billion more in taxes than they would have paid had they been single.

I find it important for me to once in a while review what $1 billion means.

We all know that $1 million is a lot of money. One billion dollars is 1,000 million dollars. So we have 29,000 billion dollars in tax penalty because people are married. When you boil that down to what it means to the average marriage penalty for a family what this tax anomaly, this tax assault, is, it turns out that is about $1,400 per family. I have to say that is about $1,400 of after-tax income. If you relieve them of that, that is actually spendable money. In order to have a spendable result of about $1,400 of more money for a family to spend, I think you have to allow in terms of a salary of about $2,000. So this would give those families about a $2,000 increase in their wages, or about $1,400 in spendable income.

Or, another way, that is well over $100 a month that families could either add to their payments for better housing, they could add to their budget for better nutrition, they could add to their clothing budget so that their children could be better clothed and that they could be better clothed. This is $1,400 they could use to promote things that are beneficial to the community.

Yet here we have this marriage penalty that sweeps that $1,400 right off the kitchen table at budget time merely because these individuals are married.

I believe this marriage penalty is a grossly unfair assault on the bedrock of our culture and civilization. As a matter of fairness, principle, and public policy, Congress should put an end to the Tax Code discrimination against marriage. The marriage penalty exists today because Congress legislated ill-advised changes to the Tax Code in the late 1960s. Fortunately, eliminating the marriage penalty simply requires Congress to amend the code.

I want to just mention that the marriage penalty tax has a pretty substantial negative impact on women. It hurts marriages when their income is equivalent to their husband's income. When their income is equivalent, it hurts them most of all. We enact policies to help women in the workplace, yet we have a Tax Code which penalizes those women once they earn income that is comparable to that of their spouse. There is significant evidence that such tax consequences have a direct impact on women's labor participation choices. People make judgments based on these taxes.

We have already heard from our good friend, the Senator from Kansas. As a matter of fact, he stated that single people are living together in a way that many of them feel bad—disappointed their families, set bad examples for the communities—and they didn't want to do this.

The amendment which Senator BROWNBACK, Senator GRAMS, and Senator INHOFE, Senator SMITH of New Hampshire, and Senator HUTCHISON have proposed would eliminate the marriage penalty. And, of course, I am proposing it with them by allowing husbands and wives to split incomes as equivalent and filing as if both were single.

Over the next 5 years, the Federal Government is expected to collect $9.6 trillion in revenues. Eliminating the marriage penalty will reduce that total by 1.6 percent, and that is less than a third of the projected surplus. That is, the surplus is expected to be $520 billion. That is money in excess of what we expect to spend. If we continue to make plans to spend it, we ought to make plans to give it back at least to curtail the marriage penalty.

There is no excuse for withholding tax relief from American families, especially tax relief that is necessary to allow them to continue to be American families. We have no reason to continue to punish Americans with a Tax Code that is designed to make it tough for them to be family. For years Washington has told taxpayers, ''You send it, we spend it.'' We ought to change that. It is time for a new message to be sent to America. It should be, ''You earned it, we returned it.''

I rise today to say that I find it unconscionable that the policy of the United States would be an assault on the principles of the American people, especially a sacred principle of American families that are built on the core institution of marriage, and that this Government, frankly, should hang its head in shame to think that it has agreed to spend the money of individuals and that it would not provide relief from this war on the principles of America called the ''marriage penalty.''

In my judgment, we have but one alternative, especially in the face of the kind of projected surplus which we have before us. That opportunity is to say that we are going to declare peace when it comes to the American family, and we are going to tell people that, ''We will not penalize you any longer because you have chosen to be married; as a matter of fact, we are going to provide a way for you to enjoy the same kind of treatment under the Tax Code that you would have if you were to have remained single.''

The end of the 105th Congress is coming quickly upon us. I call upon my

colleagues to join me for the elimination of the marriage penalty once and for all.

Mr. BROWNBACK addressed the Chair.

The PRESIDING OFFICER (Mr. SANTORUM). The Senator from Kansas.

Mr. BROWNBACK. Mr. President, I ask unanimous consent that Senator FAIRCLOTH be added as a cosponsor to this.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BROWNBACK. Mr. President, I want to give a couple of facts and some figures that I think are important to have.

The average marriage penalty in this country for people who are paying the marriage penalty is just over $1,400 a year; $1,425 a year is the average amount that families are paying for the marriage penalty in America. I think that is just far too high.

It may not seem like a lot to some people. But in paying electric bills, you could pay an average one for over 9 months. For some families, it would pay for a week-long vacation at Disneyland. It would make four payments on a minivan. You can go out to dinner, buy over 1,000 gallons of gasoline, you can buy over 1,200 loaves of bread. Those are important things to do with $1,425.

I want to show this chart to my colleagues as well. There are some who suggested last time when we entered into this debate that there is also a marriage bonus, and that if you will do away with the marriage bonus, we will do away with the marriage penalty. I have no problem whatsoever giving a bonus to people who are married. I think that we should honor this institution, and if they want to propose raising taxes on people who are married, they can go ahead and do so. I oppose that.

But I want to show who it hits. Again, you are talking about the highest proportion of the marriage penalty going to those families when the higher-earning spouse is making somewhere between $20,000 and $75,000. These are middle-income, a lot of times just starting to be wage-earner families, and it hits two-wage-earner families as well. These are the people that we should be trying to help out the absolute most. I just find it a completely wrongheaded policy, at a time when we are struggling so much in this country with the set of values we are putting forward, to say we are not only going to not help people making between $20,000 and $75,000, or are just starting a family, we are actually going to tax them, we are going to tax them more.

Mr. ASHCROFT. Will the Senator yield?

Mr. BROWNBACK. Yes, I yield.

Mr. ASHCROFT. It occurs to me you said this has its most substantial incidence in young families where people are getting started, both individuals working.

Mr. BROWNBACK. That is correct.

Mr. ASHCROFT. Is the Senator aware that when they interview people about family problems, and when families break up, that there is a high incidence of correlation between families that are overstressed economically and those that do not make it to last as families?

Mr. BROWNBACK. I thank the Senator from Missouri for the question. Absolutely. You hear that in any number of cases where people are breaking up, frequently the No. 1 cited problem is financial stress. But it then embellishes and builds into further stresses on them.

Mr. ASHCROFT. So if the average marriage penalty is $1,445 a year, you wonder about how many marriages might actually survive if the Government were not in there with its bureaucratic hand, extracting an extra $1,445 a year. You wonder in how many marriages the stress would be relieved enough that some of that financial friction that eventually sometimes flares into the flame which consumes the marriage, and burns down the house, could just be avoided.

Mr. BROWNBACK. The Senator raises a good consideration. We don't know the number of marriages that would be saved. But we do know that a lot of times people know this tax is on them. I think too many times my colleagues think people don't really know this tax exists on them, and that it exists there, but it is not a real tax, it is not one that anybody cites to. But we found, time and time again, people act rationally. They act economically rationally. So if you send a signal that you are going to tax something, they will do less of it. And if you send a signal you are going to subsidize something, they do more of it. So we tax marriage, and what do you think happens in that type of situation where you put more financial pressure on the family? The $1,445 is the average. There are some that are taxed substantially more.

I read to my colleagues, and the Senator from Missouri, letters from a number of people who have written in and said, ''I cannot believe you guys would talk about family values, all of you, everybody saying that families are critical, families are important, yet here is such a classic example of where you are penalizing the family, and it still exists, and you guys are still talking about family values.''

One thing I am very pleased about is the majority leader, TRENT LOTT, has been a strong proponent of doing away with this marriage penalty because he knows the importance of what this is about. He knows people act economically rationally and is supportive of this debate and is supportive of our efforts to try to get the marriage penalty done away with. I think it is important, and he has cited to it as well. This is not for high-wage-earning families, I point out to my colleagues as well. We are talking about hitting families the most where the highest earning spouse earns somewhere between $20,000 and $75,000. That is important.

Just because some of these testimonials are so touching, I want to read some more of them to my colleagues, because I think they are very, very telling. This is not just about statistics. This is not just about economists saying this has an impact. This is about real people looking at their real situation of real taxes they are paying. Listen to this one—Steve from Tennessee:

> My wife and I got married on January 1, 1997. We were going to have a Christmas wedding last year, but after talking to my accountant, we saw that instead of both of us getting money back on our taxes, we were going to have to pay in, so we postponed it. Now, after getting married, we have to have more taken out of our checks just to break even and not get a refund. We got penalized for getting married.

And then he says something that I think is prophetic and simple and straightforward. He just says, ''. . . and that is just not right.''

That is our point with this tax. We have the wherewithal to pay for it in the surplus. We will not touch Social Security surpluses coming into it. And this tax ''is just not right.''

Here is one from Dayton, OH:

> Penalizing for marriage flies in the face of common sense. This is a classic example of government policy not supporting that which it wishes to promote. In our particular situation, [he gives us his own situation] my girlfriend and I would incur a net annual penalty of $2,000, or approximately $167 per month. Though not huge, this is enough to pay our monthly phone, cable, water and home insurance bills.

We may sit here and look at this and say $2,000 a year, $167 a month, that is not a big deal—it is a big deal. It is a big signal we are sending to families that we are going to tax you and penalize you if you decide to get married. People act economically rational. They are going to look at this and they will understand it. They will also act economically rational if we say we are doing away with this marriage penalty. We think this is a bad tax, bad tax policy. It is not a place that we ought to tax, and they will act rationally there as well, and it sends a signal to families.

This is one I thought was excellent, from Marietta, GA.

> We always file as ''married filing separately'' because that saves us about $500 a year over ''married filing jointly.'' When we figured our 1996 return, just out of curiosity, we figured what our tax would be if we lived together instead of married. Imagine our disgust when we discovered that, if we just lived together instead of being married, we would have saved an additional $1,000. So much for the much vaunted ''family values'' of our government. Our government is sending a very bad message to young adults by penalizing marriage this way.

That is from Bobby and Susan in Marietta, GA.

Is that the sort of signal we want to send? Listen to this one from Ohio:

> No person who legitimately supports family values could be against this bill. The

marriage penalty is but another example of how, in the past 40 years the federal government has enacted policies that have broken down the fundamental institutions that were the strength of this country from the start.

That is Thomas from Ohio that writes that in.

I have studies here. We have Joint Economic Committee studies of the impact of a marriage penalty. We have studies from other institutions, citing about the marriage penalty. None of them could put it more succinctly than Thomas has right here: ''This is but another example of a policy that has broken down the fundamental institutions that were the strength of this country from the start.''

Let us hear the people. Let us hear their cry. Let us hear them say what they are saying to us, that this is a wrongheaded idea, what we are doing.

This one, David from Indiana:

This is one of the most unfair laws that is on the books. I have been married for more than 23 years and would really like to see this injustice changed [And then he says, not for himself, but, he says] so my sons will not have to face this additional tax. Please keep up the great work. We need more people in office who are interested in families.

Then this one from North Carolina:

It is unfortunate that the government makes a policy against the noble and sacred institution of marriage.

Here is somebody, Andrew from North Carolina, who is looking at his Federal Government and he says:

It is unfortunate the government makes a policy against the noble and sacred institution of marriage. I also feel it is unfortunate it seems to hit young, struggling couples the hardest.

Let us hear the people. Let us hear their sense of what they are saying about this particular situation, about this particular tax that is in place.

This gentleman, Michael from California:

I believe a majority of families do not realize the government is stealing from them because of this marriage penalty and indirectly has created this pressure to have both parents work to get by and pay for their family's future. This indirectly is driving a wedge between families.

Michael in California.

I disagree with the first portion of it, where I think the families do know about this, but in the last portion of it he is saying, ''This indirectly is driving a wedge between families.''

I think anybody here on this floor, if you ask people about this particular bill, ''Do we want to drive a wedge between families?'' There would be 100 Senators here saying ''No, we don't want to drive a wedge between families.''

That being the case, then why aren't we doing something at this point in time when we have a chance to deal with this particular issue?

Mr. President, I want to cite some of the studies in case people think we are just citing the people calling in who want a tax cut.

I have a Joint Economic Committee study, ''Reducing Marriage Taxes, Issues and Proposals,'' that talks about the various bills that are put forward within the marriage penalty. What we are talking about is putting in income-splitting proposals. They are similar.

This is the study on page 10, ''. . .to optional filing because they adjust for differences in the tax schedules between single and joint filers.'' This is the Joint Economic Committee report.

However, the proposals differ from optional filing because they make no distinction regarding the division of income between spouses. In other words, couples are treated as if each spouse earns half of their total income regardless of which spouse actually generates that income. Income splitting would, therefore, provide all couples with the most favorable tax treatment by effectively treating them like two singles with a 50–50 income split. This favorable treatment would reduce taxes for nearly all married couples. Couples with equal incomes would receive equal tax cuts, thus maintaining horizontal equity.

Moreover, income splitting would create marriage bonuses for most couples and increase bonuses for couples already receiving them, including one-earner couples. Thus, the proposals reduce marriage neutrality by [they are saying] heavily favoring marriage.

This is in the study they are putting forward. They are saying, ''OK, we are going to create a positive situation for some and we are going to do away with disparity for others.''

I say, Mr. President, this is a good thing. This is the sort of thing that we ought to do in doing away with this marriage penalty, and this is according to the Joint Economic Committee study that we have.

I showed you the chart earlier about the differences between marriage penalty and bonuses. What we are trying to get at is this zone of people making between $20,000 and $75,000 and just do away with the marriage penalty. That is a good thing, and that is the signal we ought to send.

Mr. ASHCROFT. Mr. President, will the Senator from Kansas yield for a question?

Mr. BROWNBACK. I will be happy to. But first I ask unanimous consent that Senator ABRAHAM from Michigan be added as a cosponsor to this amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BROWNBACK. I will be happy to yield for a question.

Mr. ASHCROFT. I wonder if the Senator from Kansas is aware of the fact that among people who are concerned about the culture, they have not only been concerned about families that are dissolved, and the divorce problem that we have, but the absence of family formation, the fact that there are lower rates of marriage than people had anticipated, than we have had in the past. I wonder, if given that situation, which individuals who have studied our culture are concerned about, I wonder if the Senator from Kansas might comment on whether or not the fact that we have a penalty on a number of people taxwise if they enter a marriage, if that might affect this challenge to our culture where we have had lower rates of individuals getting married?

Mr. BROWNBACK. I appreciate the question, and I think it is absolutely right on target that we are having a reduction in family creation. If you ask people in this body is that a good thing to have taking place, they would say no. We need to have more families, not less families, and part of the problem with government is we have had to create more and more government doing more and more things because we have fewer and fewer families proportionally doing less and less things.

If there is anything that we have been about, it is trying to reinstill a sense of family and values and virtues in this culture, and everybody agrees with that. Here you have a direct policy that is hurting creation of families, hurting creation of that foundational unit within a society and culture, that if it is weakened, the Government is weakened; if it is stronger, the Government is going to be stronger, too, because you have that foundational unit.

You can't create enough police forces or militaries or welfare institutions to take the place of the family. We have had a decline percentagewise in the creation of cohesive family units. This policy contributes to that of having a marriage penalty. The removal of that policy would help in the other direction of creating a family unit together.

I might note to the Senator from Missouri and to my colleagues, when we were looking at the welfare reform debate, we were very concerned about what has happened to our families and saying, ''Are we sending the right signals or wrong signals to family creation?'' We decided we were sending the wrong signals and we needed to change them to the right signals.

Do you know what is taking place? In my State of Kansas, we have a reduction in welfare rolls of 50 percent. I have met with a number of people who are off welfare now who were on welfare. I asked them, ''What do you think of the changes we did?'' And they said, ''Thank goodness you did it. Welfare, to me, was like a drug. I got hooked on it. I got addicted to it, and you said, 'If you can work, you have to work, and we are going to let the States decide if we are going to subsidize additional children born out of wedlock.' ''

They were thanking me for forcing them to do something that they needed to do. That was a policy signal that we sent from the Government. For many years we said if you don't want to work, you don't have to work; if you can work and you don't want to work, you still don't have to work; if you want to have more children out of wedlock, fine, we will pay you for doing that.

We said, ''No, no, no, if you can work, you need to work.'' Here let's support marriage.

Mr. ASHCROFT. Will the Senator yield for an additional question?

Mr. BROWNBACK. Yes, I yield.

Mr. ASHCROFT. It occurs to me what you are saying, because families

have begun to replace welfare in a number of settings, they have done a better job and people are becoming independent; that the number of people on welfare is going down, and when the number of people on welfare goes down, the cost to government goes down.

It seems to me that as these costs go down, when families begin to do their jobs and do them well, we ought to share some of the reduced costs of government with families by reducing the cost of families so that we can actually—and I wonder, if you will agree that since families are helping us reduce the cost of government by reducing the cost of welfare, if you agree that it might be appropriate for us, given the fact that families are helping us in this respect, to say to families, ''and thank you very much, and we would like to reduce your costs now that you are helping us reduce ours.''

Mr. BROWNBACK. Thank you for the question. My guess is—and we ought to probably have an economic study done on this—that for every dollar we help out the families, we probably get $10 in reduction of costs to the government. I don't have that based upon studies, but I do have that based upon personal experience of families reaching out and how much more effective they are with heart and soul and arms that can hug and love instead of a cold government check that really doesn't do anything other than make people hooked to it. We need to support, and we need to encourage that.

Mr. President, I will continue to have additional people wanting to be added as cosponsors. Senator LOTT has asked to be added as a cosponsor to this amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BROWNBACK. Thank you very much. Mr. President, these are commonsense issues. They are commonsense results of what we need to have. If we support marriage, if we support the family, we will have less cost to government. This is a good thing. This is something we ought to support. It is something we ought to readily do. It is something that should pass with 100 votes.

We will shortly have a chance to vote on this particular issue. Whether we get a vote directly on it or we vote on a motion to table, I am asking my colleagues to support us in this effort to do away with the marriage penalty when this comes up. It is not taking the entire surplus of the $520 billion that the CBO is now projecting. It would actually score CBO $151.3 billion. I support walling off Social Security for flow of payments for Social Security. This is a statement of marriage to families. We don't have to pay a Social Security against marriage. We don't have to do this.

I support what the President has been saying, ''Let's keep Social Security to Social Security. Let's create a real trust fund.'' We have real problems there. We also have real problems in marriage. We also have real problems with families in this country. We can do this.

Mr. President, $1.50 of every $5 coming in on the surplus would address this marriage penalty that is a horrific signal we are sending out to the country right now, that we would actually tax marriage more.

Perhaps this is getting somewhat long with people when they keep hearing from folks. These are the commonsense responses from people across country.

A gentleman in Texas:

If we are really interested in putting children first, then why would this country penalize the very situation—marriage—where kids do best? When parents are truly committed to each other through their marriage vows their children's outcomes are enhanced.

And that is Gary from Houston, TX.

This one I could not believe. This lady is from Virginia.

I am a 61-year-old grandmother still holding down a full-time job, and I remarried 3 years ago.

A 61-year-old grandmother, full-time job, remarried 3 years ago.

I had to think long and hard about marriage over staying single as I knew it would cost us several thousand dollars a year just to sign the marriage license. Marriage has become a contract between two individuals and the Federal Government.

This one is from Pennsylvania:

My wife and I have actually discussed the possibility of obtaining a divorce, something neither of us wants or believes in, especially myself.

He said he was the product of a marriage that has difficulty, but they were considering divorce. He says ''simply because my family cannot afford to pay the price.''

This is Jeffrey from Pennsylvania who says that.

This gentleman from Illinois says:

You try and be honest and do things straight, and you get penalized for it. That's just not right.

That is Mike from Illinois who sent that letter in.

Person after person coming in and writing in saying that, ''Look, this just isn't right.''

This one from Sarah that was published in the Ottawa Daily Times:

The marriage penalty is essentially a tax on working wives because the joint filing system compels married couples to identify a primary earner and a secondary earner, and usually the wife falls into the latter category. Therefore, from accountants' point of view, the wife's first dollar of income is taxed at the point where her husband's income has left her. If the husband is making substantially more money than the wife, the couple may even conclude it is not worth it for the wife to earn income. In fact—

And she is quoting from a book by a Professor McCaffrey at the University of Southern California.

In fact, McCaffrey's book details the plight of one woman who realizes her job was actually losing money for her family—

Actually losing money for her family.

by her working.

We are overtaxing the American public now anyway, with people having to pay roughly about 40 percent of their income in taxes, taxes at all levels—Federal, State, and local, with Federal being the highest portion. I think that ought to be lowered. But, clearly, you hear there are cases where they are not only being taxed but we are forcing people with two-wage-earner families to work and one just working for the Government, but even in that case you are even taxing them more, to the point where it isn't even worth working.

Mr. President, this amendment needs to pass. We need to have this debate. We can afford to do this. We can do this and still set Social Security, payroll taxes, aside; and I am calling on my colleagues to do just that.

With that, Mr. President, I yield the floor.

Mr. ASHCROFT addressed the Chair.

The PRESIDING OFFICER. The Senator from Missouri.

PRIVILEGE OF THE FLOOR

Mr. ASHCROFT. I ask unanimous consent that Heather Oellermann be given floor privileges during the duration of this debate. She serves in my office.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ASHCROFT. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. CAMPBELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CAMPBELL. Mr. President, I ask that my name be added as a cosponsor to the Ashcroft-Brownback amendment to S. 2312.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CAMPBELL. I yield the floor.

Mr. ASHCROFT addressed the Chair.

The PRESIDING OFFICER. The Senator from Missouri.

Mr. ASHCROFT. I rise to speak further in support of the elimination of the marriage penalty. Some people have asked, ''Well, isn't there also a marriage bonus, or isn't there a situation in which people might do better because they are married than if they're not married?'' And there are areas of the Tax Code where some individuals do slightly better, but they are supported by very sound logic. I would like to talk for a few moments about them, those instances.

I indicate that in no way do I think that the existence of this so-called ''marriage bonus'' in some places in the Tax Code—that that bonus really is any reason why we should impose a penalty in some other area of the Tax Code. As a matter of fact, there are sound reasons for us to support the concept of the marriage bonus where it exists.

Currently, the standard deduction for a single person is $4,150, while the standard deduction for a married couple filing jointly is only $6,900. I did not major in mathematics, but I did one time have the privilege of serving as the State auditor. I can add $4,150 twice; that would be $8,300. And when you put the $8,300 that you would get for two single people together, and you look at the $6,900 deduction that you get for a married couple filing jointly, you clearly understand there is a $1,400 deduction that simply does not exist.

The marriage penalty elimination amendment that Senator BROWNBACK and I, and others, including the majority leader, have offered today will increase the standard deduction for a married couple to equal twice what it is for singles—that would be the $8,300 figure.

Now the Government rationale for the difference in deduction for singles and married couples is to reduce the so-called marriage bonus that occurs when only one spouse works. So the idea is, why should a spouse get a full deduction if the spouse isn't actually in the workforce? I think that sort of partakes of a myth that we ought to disabuse ourselves of and that I think most people understand. The suggestion that if someone works outside the home they are working, but if someone isn't working outside the home they are not working—I don't think that is really the case.

I think what we really indicate is not so much a bonus if we give a deduction for the person who is nonworking outside the home but stays home, it is a recognition of the substantial contribution that the nonemployed spouse makes to the family.

We have had a pretty substantial experience with marriage in my household. There are three decades plus that my wife and I have been married. There have been times when both of us have been employed, times when only my wife was employed, times when only I was employed. I think in every one of those instances to ignore the sort of contribution that the nonemployed spouse makes to the work product, even of the employed spouse and of the household, would be a tremendous injustice.

I think what we really have, instead of the so-called marriage bonus, is just a recognition of the fact that the nonemployed, in-a-formal-sense, spouse is contributing to the income that comes to that household by virtue of the capacity that is expanded to the other spouse who is employed and by virtue of the expanded well-being of the family. American families need help from the ever-increasing tax load which we are imposing on them. Men who stay at home or women who stay at home to care for the children should not be penalized by the Tax Code.

I have been somewhat distressed in recent years that we have begun to extend this myth and to provide incentives for people not to stay at home, to have a prejudice against people who would stay at home. Our Government policy should work in favor of children, not against them. Sometimes when we have a massive tax prejudice in favor of both parents leaving the house, that is not in the best interests of children. I think most of the data we have seen in recent years is that children really thrive when they have the attention of parents, and, obviously, if you have one of the parents who can stay at home, it really helps children significantly.

Our current Tax Code rewards the dependent child tax credit for families who put their children in child care, for example, and, therefore, provides an incentive for people to institutionalize their children rather than to care for them in the home. A mother who stays at home with her child makes the sacrifice in the total combined paycheck for the family and for her career, perhaps, or the father who does the same, should that family be penalized? I think the answer is clearly no. As a matter of fact, that person may be doing our culture a great favor by providing attention from a loving, compassionate parent in a way that no institution would be able to provide attention or training for that child.

The Tax Code should acknowledge that contributions made by spouses who stay at home, be they male or female—and we have done it both ways in my household from time to time; there have been times when my wife was the earner and I was either doing something at home or running for office or the like—and either way, we should acknowledge that the contributions by the so-called nonemployed spouse are not ignored, and no marriage bonus could ever begin to compensate those individuals for their contributions to the family.

Now, if Members on the other side of the aisle want to eliminate the small ''bonus'' in the Tax Code, I think that would be ill advised. I predict it would be soundly defeated, as it should be. It is antifamily, it is antimarriage, and given the fact that most of these are women in this setting, it is antiwomen to suggest a full-time homemaker provides no value that should be recognized in the Tax Code. I believe their contribution should continue to be recognized and applauded. The marriage bonus is a way to recognize some of the non-economic contributions of stay-at-home spouses.

What we are really here for, I don't think there is a serious legal attempt to take away those recognitions, but there is a very serious assault on the values of American families. When we are taxing the average family that endures the marriage penalty, we are taxing them $1,400 a year more in taxes than we would if they were single. It seems to me that assault on the values of the American public is a tragic, tragic invasion of the strongest institution which we need desperately for the success and survival of our country. We should recognize that we need to eliminate that penalty on marriage.

It is with that in mind that I am pleased so many Senators have agreed to cosponsor this measure. I hope we will vote to make sure that this becomes a part of the philosophy and policy of American Government. A government which is at war with the values of its people cannot long endure. No value is more cherished in America than the value of durable families. We simply have to eliminate the assault on marriage, the assault on our families, that is included in a Tax Code which undermines and curtails the value of families in our culture.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. INHOFE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. INHOFE. Mr. President, I rise in support of the efforts that have been brought to the floor by the Senator from Kansas. I would like to make a few comments and observations about tax cuts and some misconceptions. I was somewhat distressed at the beginning of this administration when a statement was made by Laura Tyson, who was the chief financial advisor at that time. She said—and this is almost a direct quote—that there is no relationship between the level of taxation that a country pays and its economic activity. If you would carry that to its logical conclusion, you would say you could tax somebody by 100 percent and they are going to be just as motivated to work hard and to contribute to the economy and take risks and to hire people as if they had no tax at all. As we know, history has shown us that this is not true.

One of the interesting things that is so overlooked by many of the liberals nowadays is that for every 1 percent increase in economic activity, it produces new income of approximately $24 billion. Three times in this century we have had administrations that have had massive tax cuts, and each time this has happened we have actually increased the revenue. What I am hoping we will get to is a discussion and a debate along the lines that you can actually increase revenue by reducing taxes. History has shown us that, in fact, this is true. The first time this happened was in the 1920s, during the Warren Harding and Calvin Coolidge administrations. They had consecutive tax cuts, reducing the top tax rate from 73 percent to 25 percent. The lower rates of taxation helped expand the economy dramatically. In fact, between 1921 and 1929, in spite of—or maybe because of—dramatic reductions in personal income tax rates, revenues increased from $719 million in 1921 to $1.16 billion in 1928, an increase of more than 60 percent. Now, over a 10-year period, that would have been about a doubling of the tax revenues that came as a result of reducing tax rates.

Then in the 1960s, along came the Kennedy administration. Of course, when you hear some of the things that President Kennedy said at the time that didn't sound that prophetic, they turned out to be true. At that time, he said we needed to have more revenues and the best way is to reduce our tax rates and expand the economy. Again, going back to the assumption that has been proven over and over again that your tax revenues increase with certain types of marginal tax rate reductions, in the 1960s, President Kennedy initiated a series of tax cuts where he took the top income tax rate and reduced it from 91 percent to 70 percent. These cuts, in part, helped increase the growth by some 42 percent between 1961 and 1968. So again, you have a very similar type of growth that we experienced back in the 1920s.

Then in 1980, we remember so well Ronald Reagan coming along and the criticisms that he has had. At that time, he was working with a Congress that was not that friendly—at least a House that wasn't that friendly. He was able to probably make the most dramatic reductions in the tax rates than at any period during any administration in this country's history, knocking the top tax rates from 70 percent in 1980 down to 28 percent by 1988.

The results of this were very interesting in that if you look at total revenues raised to run this country in 1980, it was $517 billion. By 1990, that figure was increased to $1.3 trillion. So revenues doubled during that period of time that he reduced the tax rates. As far as the revenues that were generated from the marginal rates, or from income tax, that went from $244 billion in 1980 to $466 billion in 1990. So you have almost a doubling in that case, also.

So I think those people who are saying that we don't want to reduce taxes are saying we don't want to reduce the revenues. We have need for more revenues when, in fact, some of the tax reductions that we will be talking about could have the opposite effect. I can remember in Ronald Reagan's speech—one of the speeches he made called ''A Rendezvous With Destiny'' in the sixties, it was prophetic. He said, ''There is nothing closer to immortality on the face of this Earth than a Government agency once formed.'' I think this is one of the problems we are dealing with now, in that it is so difficult to cut down the size of Government.

Sometimes it is necessary to reduce taxes in order to overcome that temptation to spend the money that is out there. We know the political reality of that. By the way, when many of the Democrats—liberals—were saying, ''Look at how the deficits increased during the Reagan administration,'' yes, that is true, they did, but that was not as a result of reducing taxes; that was a result of increased spending. I think that, in retrospect, the President should have adopted a policy of issuing more vetoes, and I don't think we would have had the deficits that we had.

The bottom line is that we are not an undertaxed Nation. We are a Nation that needs to reduce taxes. This is an opportunity to do it. I can't imagine that in this day and age when we have the projected, huge surpluses that are out there, we would consider anything less than making major tax reductions. The tax reduction that has been promoted on the floor by the various speakers regarding the marriage penalty is certainly one that is justified. I would like to see, in addition, some marginal rate reductions. I hope we will be able to do that before this debate is all over.

Lastly, we have come so dangerously close to what has been stated in history. People have observed this country. When Alexis de Tocqueville came here, he came to study the penal system and to write about that. After he saw the great wealth in this Nation and the freedoms, he wrote a book about the wealth. In the last paragraph, he said that once the people of this country find that they can vote themselves money out of the public trust, the system will fail. I think we have come dangerously close to that. This is the time to reduce taxes and allow individuals to have more control of the money they earn.

I yield the floor.

Mr. KOHL addressed the Chair.

The PRESIDING OFFICER. The Senator from Wisconsin.

Mr. KOHL. Mr. President, I rise in opposition to the Ashcroft amendment on marriage penalty tax relief. Let me quickly point out that I strongly support the Senator from Kansas' intentions and believe that most, if not all, of my Senate colleagues do as well. Americans should be free to marry or remain single based on much more important considerations than those related to tax liability.

That said, the Treasury-General Government appropriations bill is not the proper context for the marriage penalty debate. Now is simply not the right time or place. The Senate voted in favor of marriage tax relief during debate on the tobacco bill. And we all look forward to resuming this debate if and when we are able to take up, and it's my hope that we do take up, a comprehensive tax relief measure later this year. The marriage tax relief issue should be debated at that time, in the context of our overall budget priorities. Simply put, we've come too far in our efforts to enforce fiscal discipline to change course now and arbitrarily adopt major and expensive tax policy mesaures on appropriations bills.

I will oppose the Aschcroft amendment and urge my colleagues to do the same.

Mr. MACK. Mr. President, I rise to state my views on the elimination of the marriage penalty.

Before 1969, the federal income tax treated married couples like partnerships, in which husbands and wives shared their incomes equally. This practice was called income-splitting. It was ended in 1969, creating what is commonly known as the marriage penalty—the extra taxes couples have to pay because they are married rather than single. According to the Congressional Budget Office, about 21 million couples now pay these penalties, which average about $1,400 per couple.

This unfair treatment of married couples is fundamentally wrong. The tax code ought to treat married couples no worse than it treats single people. It ought to recognize that marriages are partnerships in which husbands and wives share their incomes equally for the good of their families. Until it does this, the tax code is punishing the most important institution our society has.

This amendment is explicitly pro-family. It is a direct way of letting families keep more of their hard-earned money, which can be used for child-care, taking care of a sick parent, education expenses or whatever else the family wants to do with it. It sends a message to the American people that marriage should be a welcome occasion, not just another excuse for higher taxes.

Mr. President, I encourage my colleagues to support this amendment to eliminate the marriage penalty.

Mr. KYL. Mr. President, there are a lot of things wrong with our nation's Tax Code, but two things in the code that have always struck me as particularly egregious are the steep taxes imposed on people when they get married and when they die. Today, we will have a chance to vote to end the marriage penalty.

All of us say we are concerned that families do not have enough to make ends meet—that they do not have enough to pay for child care or college, or to buy their own homes. Yet we tolerate a system that overtaxes American families.

According to Tax Foundation estimates, the average American family pays almost 40 percent of its income in taxes to federal, state, and local governments. To put it another way, in families where both parents work, one of the parents is nearly working full time just to pay the family's tax bill. It is no wonder, then, that parents do not have enough to make ends meet when government is taking that much. It is just not right.

The marriage penalty alone is estimated to cost the average couple an extra $1,400 a year. About 21 million American couples are affected, and the cost is particularly high for the working poor. Two-earner families making less than $20,000 often must devote a full eight percent of their income to pay the marriage penalty. The highest percentage of couples hit by the marriage penalty earns between $20,000 and $30,000 per year.

Think what these families could do with an extra $1,400 in their pockets. They could pay for three to four months of day care if they choose to send a child outside the home—or

make it easier for one parent to stay at home to take care of the children, if that is what they decide is best for them. They could make four to five payments on their car or minivan. They could pay their utility bill for nine months.

Mr. President, it seems to me that if couples need advice about their decision to marry, they should be encouraged to look to their minister or rabbi, or their family, not their accountant or the Internal Revenue Service. This amendment represents an effort to strengthen families and give them a chance to spend their hard-earned money in the way they best see fit.

Given that federal revenues as a share of the nation's income, as measured by Gross Domestic Product, will set a peacetime record this year—a whopping 20.5 percent of GDP—and given that we are anticipating a budget surplus of more than $63 billion, it seems to me that there is no excuse for the Senate to allow the marriage-penalty tax to continue any longer.

I urge my colleagues to join me today in voting to end the egregious marriage-penalty tax.

Mr. FAIRCLOTH. Mr. President, I rise in strong support of the Brownback-Faircloth marriage penalty relief amendment.

In fact this amendment is the same as the legislation I originally offered with Senator KAY BAILEY HUTCHISON and many others to provide relief from the marriage penalty tax.

Mr. President, in listening to my colleagues, I find very little opposition to the notion that couples should not be penalized with additional taxes simply because they choose to marry.

As several members have stated, the Congressional Budget Office has determined that married couples are taxed an extra $1,400 on average more than singles. This legislation would correct that problem.

Relief from the marriage penalty tax is an idea which enjoys broad, bipartisan support in the Senate. In fact, legislation which I offered as an amendment to the Fiscal Year 1999 Budget resolution established marriage penalty tax relief as among the highest priorities of the Senate this year. That amendment passed this body by a vote of 99 to 0.

Clearly, there is no objection to providing this much needed relief.

Some of my colleagues have suggested that the bill before us is not the appropriate bill to serve as a vehicle for this tax relief. In fact, the only objections I can find to this amendment are based on procedure, and not about the merits of the issue.

I understand the concerns raised about procedure, but I would urge my colleagues to consider the injustice of this marriage penalty tax, and join me and the other sponsors of this amendment to eliminate this unfair burden. I urge my colleagues to vote no on the motion to table the Brownback-Faircloth amendment.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. CAMPBELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

MEASURE PLACED ON CALENDAR—H.R. 4250

Mr. CAMPBELL. Mr. President, I understand H.R. 4250, regarding patient protection, is at the desk and is awaiting second reading.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

A bill (H.R. 4250) to provide new patient protection under group health plans.

Mr. CAMPBELL. Mr. President, I object to the consideration of the bill at this time.

The PRESIDING OFFICER. The bill will be placed on the calendar.

Mr. CAMPBELL. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. ROTH. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. BURNS). Without objection, it is so ordered.

TREASURY AND GENERAL GOVERNMENT APPROPRIATIONS ACT, 1999

The Senate continued with the consideration of the bill.

AMENDMENT NO. 3359

Mr. ROTH. Mr. President, I rise to address the amendment offered by Senator BROWNBACK. I appreciate the work he and others have done. I agree with the premise of this amendment.

We need to provide much needed marriage penalty relief to American families. We all know how unfair the marriage penalty is. We have heard from our constituents. We see how it cuts into the family budget. We realize that it must be changed. Our laws should not penalize married couples and their families.

Over the years, I have been a forceful advocate for marriage penalty relief. In fact, during the recent consideration of the tobacco bill, I cosponsored an amendment that would have provided such relief. I have also stated many times that marriage penalty relief should be included in any package of tax cuts. As chairman of the Finance Committee, I remain committed to that position.

As we look to real and meaningful tax reform, we will take care of the marriage penalty. This will be one of our top priorities. But addressing this important issue must be done at the proper time and in the proper way. This is not the time, nor is this appropriations bill the appropriate vehicle to proceed with this amendment. This is a tax issue. It does not belong on this appropriations bill. It did not come through the committee of jurisdiction. That committee is the Finance Committee.

I know many of my colleagues agree with me when it comes to the marriage penalty. They are seeking an opportunity, as I am, to address it and find a remedy as quickly as we can. This will be our objective in the future. We intend to take care of this in the right way. I ask our colleagues outside the committee to support it.

Adoption of this amendment at this time would not only disrupt the proper order of things and result in the loss of appropriate and constructive debate within the Finance Committee, but, equally important, it would subject the entire Treasury-Postal appropriations bill to a blue slip from the House of Representatives. Revenue measures must originate in the House. If not, any Member—I emphasize ''any Member''—of the House can raise an objection. The result would be that this appropriations bill dies. And that is not in anyone's interest.

While I completely agree with the objective and necessity of this amendment, while I remain a staunch ally of those who seek to provide marriage penalty relief, I cannot vote for this amendment.

I ask my colleagues to vote with me. Allow the Finance Committee and the Senate to address this important issue in a way that is correct and will bring real and lasting tax relief to married couples and families.

Mr. President, I understand the distinguished Senator from Texas wants to address this matter.

Mrs. HUTCHISON. Mr. President, before the Senator would make any motion, I would like to be able to speak for a few minutes on the amendment. I didn't want to be shut out.

If that is the Senator's intention, I would just ask if he would allow me at the appropriate time——

Mr. ROTH. Mr. President, I yield the floor.

Mrs. HUTCHISON addressed the Chair.

The PRESIDING OFFICER. The Senator from Texas.

Mrs. HUTCHISON. Mr. President, I thank the distinguished Senator from Delaware, because I wanted to be able to speak on this matter. I have just come from a committee markup. But the bill that is on the floor as an amendment is actually a bill that Senator FAIRCLOTH and I introduced.

I am very pleased that Senator BROWNBACK and Senator ASHCROFT and others have pursued this, because I think it is at the core of what we should be doing in this Congress; that is, to try to give people back the money they worked so hard to earn.

It is so important that we address the issue of the couple from Houston whom I met recently. He is a police officer. He makes $33,500 a year. She is a teacher in the Pasadena Independent School District. She earns $28,200 per year. They were married and immediately had to pay an increased tax of over $1,000.

Mr. President, this is a young couple who just got married who want to begin to save to purchase a new home, and they are hit with a $1,000 penalty because they got married.

This is of the utmost importance. It is an issue that we must address this year.

I appreciate that the Senator from Delaware, who is the chairman of the Finance Committee, has said if we have tax cuts, this will be the first priority. I know he agrees with us on the merits. He may disagree on process or on whether we use this bill as a vehicle. That is understandable. But in the end, Mr. President, it is very important that we speak for the working young people of our country to make sure they get a fair shake when it comes to taxes.

Twenty-one million couples are paying a penalty because they are in that middle-income level, and when they get married, they get assessed an average of $1,400 a year more. Simply because they wanted to get married and raise a family, they are penalized by the U.S. Government.

We must correct this inequity. That is what our bill, the Faircloth-Hutchison bill does. That is what Senator BROWNBACK and Senator ASHCROFT are trying to do with this amendment. We are together on this.

If this isn't the right process, if this isn't the right time, let's find the right time. Let's commit to the right time, because we must correct this inequity. I hope the Senate will speak very firmly that this is our priority.

I want to address one last issue, and that is Social Security.

Do we have to compete between tax cuts and Social Security? Absolutely not. In fact, I think many of us are going to support all of the surplus of the Social Security system going into saving Social Security. That is our first priority. We are going to have a budget surplus that is separate and apart from the surplus in Social Security. We are saying that the surplus should go to tax cuts, because those of us who have been around here for a few years have begun to see that if there is any excess revenue in this budget, all of a sudden we get very creative about how to spend taxpayer dollars. We must remember, the money does not belong to us, it belongs to the people who work so hard to earn it. And it must be returned to them before somebody gets very creative with some new program that would take the money from the families who earn it. That is the issue.

Let's set aside the surplus from Social Security. And let's start the process of saving Social Security and making it even better, which I think we are going to be able to do in a bipartisan way in this Senate. But let's also take the surplus from the revenue that is coming in and give it back to the people who earn it—the people to whom it makes a big difference. If they have that $1,400, that is six or seven car payments, several payments on a student loan or maybe the couple is saving for their first home. We can help them with those expenses, and we should.

Thank you, Mr. President. I thank the distinguished Senator from Delaware for allowing me to make those points.

I hope we will do the right thing. I hope we will make this our highest priority in this Congress, along with saving Social Security. We can do both.

Thank you, Mr. President.

Mr. GRAMS addressed the Chair.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. GRAMS. Mr. President, I also would like to rise and join Senators BROWNBACK and ASHCROFT in offering an amendment to correct the injustices of the marriage penalty. I want to take a few minutes to speak on behalf of that. It is vitally important, I believe, that Congress pass this amendment, and as quickly as possible.

I also would like to note that Senator HELMS of North Carolina would like to be added as a cosponsor of this amendment.

Mr. President, we have debated this issue now for quite some time. It is clear to me that this is noncontroversial and should have support from all Members of this body.

Everyone in this debate agree that the family has been and will continue to be the bedrock of American society. We all agree strong families make strong communities; strong communities make for a strong America. We all agree that this marriage penalty tax treats married couples unfairly. Even President Clinton agrees that the marriage penalty is unfair.

But still Washington refuses to get rid of this bad tax policy that discourages marriage—the most basic institution of our society.

As a result, millions of married couples will be forced to pay more taxes simply for choosing to commit to a family through marriage.

A 1997 study by the Congressional Budget Office, entitled ''For Better or Worse: Marriage and the Federal Income Tax,'' estimated 21 million couples, or 42 percent of couples incurred marriage penalties in 1996. This means 42 million individuals pay $1,400 more in taxes than if they are divorced, or living together.

But marriage penalties can run much higher than that. Under the current tax law, a married couple could face a Federal tax bill that is more than $20,000 higher than the amount they would pay if they were not married.

Again this is extremely unfair. This was not the intention of Congress when it created the marriage penalty tax in the 1960s by separating tax schedules for married and unmarried people.

The marriage penalty is most unfair to married couples who are both working. It discriminates against low-income families and is biased against working women.

The trends show that more couples under age 55 are working, and the earnings between husbands and wives are more evenly divided since 1969. As a result, more and more couples have received, and will continue to receive, marriage penalties and while fewer couples receive bonuses.

The marriage penalty creates a second-earner bias against married women under the federal tax system. The bias occurs because the income of the secondary earner is stacked on top of the primary earner's income.

As a result, the secondary earner's income may be taxed at a relatively higher marginal tax rate. Married women are often the victims of the second earner bias.

During the 1970's and 1980's, as more and more women went to work, their added incomes drove their households into higher tax brackets. Today, women who return to the work force after raising their kids face a tax rate as high as 50 percent.

The CBO study also found ''small but statistically significant effects of marriage penalties in reducing the likelihood of marriage for women.''

Mr. President, what this finding means is that the marriage penalty tax has discouraged women from marriage.

This is shameful. This is a direct insult to our most basic and most stable institutions. We must put an end to it.

American families today are taxed at the highest levels since World War II, with nearly 40 percent of a typical family's budget going to pay taxes on the Federal, State, and local level. They deserve a tax break. Last year's tax relief was too little and too late. More meaningful tax relief must be provided.

In the next 5 years, the Federal Government will take $9.6 trillion from the pockets of working Americans. The revenue windfall will generate a huge budget surplus. This surplus comes directly from taxes paid by the American people. It is only fair to return it to the taxpayers.

Repealing the marriage penalty will allow American Families to keep $1,400 more each year of their own money to pay for health insurance, groceries, child care, or other family necessities.

Mr. President, some argue that repealing the marriage penalty will only benefit the affluent. This is completely false. The fact is, the elimination of the injustice of the marriage penalty will primarily benefit minority, low- and middle-class families. Data suggests the marriage penalty hits African-Americans and lower income working families hardest.

According to the CBO, couples at the bottom end of the income scale who incur penalties paid an average of nearly $800 in additional taxes, which represented 8 percent of their income.

Eight percent, Mr. President. Repeal the penalty, and those low-income families will immediately have an 8 percent increase in their income or an 8 percent cut in their taxes.

Some also argue that repealing the marriage penalty would affect families receiving marriage bonuses. This is not true either. Although there are couples who receive marriage bonuses, this doesn't justify the Federal Government penalizing another 21 million couples just for being married.

We should give more bonuses to all American families in the form of tax relief, whether both spouses or only one of them are working.

In closing, I must point out that this amendment takes the approach of income splitting to repeal the marriage penalty. Married couples would be allowed to split their income down the middle, regardless of who earned it, and be taxed at the lower rate. This would protect working couples without punishing women who remain at home.

In his book ''The Decline (And Fall?) of the Income Tax,'' Michael Graetz, former Treasury Department tax whiz, writes ''A tax system can't survive when it departs from the fundamental values of the people it taxes''. I couldn't agree with him more.

Mr. President, it is unfair and immoral to continue the marriage penalty tax. Today, let us just get rid of it.

I yield the floor.

The PRESIDING OFFICER. The Senator from New Hampshire.

Mr. SMITH of New Hampshire. Mr. President, I rise in very strong support of the marriage penalty amendment. I am pleased to be a cosponsor of the amendment. I want to say, under our current tax system, getting married increases your taxes. That does not make a lot of sense.

The typical family pays more than $100 per month in extra taxes because of the marriage penalty. I have looked at this matter for years and never understood the rhyme or reason for the policy in the first place. Why on Earth such legislation would ever pass the U.S. Congress is mind-boggling. I guess there are some out there who think the institution of marriage has no special importance.

Even if there are those people who feel that way, it would be hard not to acknowledge that taxing people simply because they got married is discriminatory, pure and simple, no matter how you feel about marriage. Why should you be discriminated against in the Tax Code because you get married?

Let's not overlook the importance of marriage and the family to our country's success. Children do best when they are raised by two happily married parents. We have some in the liberal establishment who would probably take issue with that as well, but I believe that is the case. I think the statistics speak for themselves. Study after study indicates that children raised in such families are more successful in school, are less likely to commit crime, do drugs, or bear illegitimate children. They do better in the workplace when they get out of school. They do better and they are more likely to stay married as adults if they have that kind of family unit to learn from.

So, imposing a tax penalty on marriage is probably one of the most antichild and antifamily policies that we could have. Often, those hardest hit by the marriage tax are those young married couples who are just trying to get started. We hear all the time from our constituents—I know I do—about this. Here is a letter from a young man in Salem, NH. I am not going to have the letter printed in the RECORD, just for the purpose of protecting the individual's privacy, but let me quote from that letter:

> You see, Senator, my wife and I are both working very hard to make a decent life for ourselves and our future children, if we can ever afford to have them. Unfortunately, we made a tactical error some 15 months ago. We decided that we loved each other enough to get married, and now I realize that before making such a decision, I should have consulted the Tax Code to see what the incremental tax liabilities would be. In 1997, our tax liability was approximately $1,100 more than it would have been had we simply decided to live together out of wedlock.

That is a very powerful statement from a young couple who love each other, who got married, and then paid a penalty in the Tax Code for doing that.

There is one other letter from a constituent in Lee, NH.

> My husband and I got married this past August. He is a police officer and I started a new job as a project engineer for a large plastics manufacturer. We purchased our first home together in September, thinking we would get taxed on our savings for a home. We thought we were establishing ourselves quite well as a young married couple. It was to our surprise that when we met with our CPA we found out that there was a couple of thousand dollars tax penalty just for being married, which has cost us $2,700. This, of course, increased the amount of money that we owed to the IRS. We both expected to owe taxes, a small amount, due to the fact that we are a double income family without children as yet.
>
> However, the last thing we expected to be taxed on was our marriage. This has placed a very large burden on my husband and me and since it wasn't in our budget it is affecting our home security.
>
> In our country, I think that one of the last things we need to penalize is marriage. We have enough divorcees, deadbeat parents, and abusive families to worry about. Does it really make sense to attack the families that do not fall into these categories? I understand the money has to come from somewhere, but families like ours also have to control our expenses. Why can't the Government bring in funds without this tax penalty and control its expenses?

Mr. President, these constituents are very perceptive. I agree with them. There is no excuse for withholding tax relief from American families. I agree with them. There is no better place to start cutting taxes than the marriage penalty. There is no excuse for maintaining a tax policy that undermines children and marriage.

This amendment, which would allow a husband and a wife to each claim half of their joint incomes and be taxed in the lower brackets that apply, will send a very clear message to the American people from this Congress that marriage is a valued institution, that we want to encourage it, not discourage it, and that we ought not to be penalized in the Tax Code for being married. We want to adopt a policy that does not discriminate against marriage by effectively eliminating this marriage penalty.

New CBO projections call for Federal budget surpluses exceeding $500 billion over the next 5 years. Thus, the full elimination of the marriage penalty would equal less than one-third of the projected budget surplus. This surplus gives us the opportunity to have a positive impact upon millions of American families, hard-working American families who are trying to do the right thing to raise their children in the right way and send a message saying that marriage is important to our culture.

This amendment is long overdue—long overdue—and I agree with the Senator from Missouri that the business of Government is to create an environment in which the family can flourish, and we need to encourage institutions like the family. The more we encourage the family, the less need we are going to have for Government to step in. Maybe that is the reason why we had the marriage penalty in the first place.

Mr. President, I urge my colleagues to support this amendment. There will be all kinds of reasons given why we shouldn't, but I urge my colleagues to support this amendment to eliminate the penalty that the Tax Code imposes on the American family. I yield the floor, Mr. President.

Mr. CRAIG addressed the Chair.

The PRESIDING OFFICER. The Senator from Idaho.

Mr. CRAIG. Mr. President, I come to the floor today to join with my colleagues from Missouri and Kansas in their amendment to eliminate the marriage penalty. There has been a growing level of frustration amongst most of us in the Senate and, I am sure, our colleagues on the other side of the Rotunda, as the Congressional Budget Office and others predict and justify by their analysis higher and higher budget surpluses, as to what we will do with this revenue. As most of my colleagues know, I, amongst others, have fought for decades to bring about a balanced budget knowing that from that budget we would have opportunities to significantly change the way our Government does business, but most importantly, the way our Government impacts the lives of American citizens in the form of rules and regulations and laws, because balanced budgets limit Government, but most importantly, as a result of the kind of impact the Federal Government, through its taxing policies, have on wage earners' ability to

earn and to spend their money for themselves, for their families, for their children.

Over the course of creating tax policy the last good number of decades, one of the great tragedies that I think the public recognizes is that Congress can use tax policy as a form of social engineering. You can cause the public to move their moneys in one direction or another by the way you tax them. You can also cause the public or individuals to act differently.

There was a recent article in a newspaper, a national wire story just this past week. More couples are living together without being married than ever in the history of our country. They cited a lot of reasons. One of the reasons they didn't cite was tax policy. But in talking with citizens of my State and couples who have chosen to live together without marriage, the marriage penalty is clearly one of those issues.

Tragically enough, that is either by intent or by mistake, but the reality is clear: Tax policy driven by this Congress and by the American Government has caused a lifestyle change in our country, a change in the forming of the family unit that many of my colleagues today have said, and rightfully spoken to, as being the foundation of our society, the strength of our communities and, therefore, the strength of our country.

Tax policy should not do that, and here we are in an opportune time, an opportunity that we have never had in the years I have spent here, to make these kinds of changes, and we ought to do it.

I must also tell you that with the projected surplus over the next 5 years of $500 billion plus, there are a lot of other things we can do. For future generations, we ought to fix the Social Security system. Fix it, I mean by not making it a chain letter, by not creating a tremendous precipice of problems as it relates to the year 2018 or whenever the spiking of the baby boomers arrives and those necessary checks must go out to our citizens. We ought to fix it now.

On that issue—I don't often side with this President—but I think he is right. We ought to use this opportunity to stabilize and change and adjust the Social Security system.

By offering this amendment today, what my colleagues are not saying is don't fix Social Security. They are saying we have an opportunity to address a nagging problem inside the tax structure of this country, while at the same time we ought to deal with Social Security. I hope the House and the Senate, before we adjourn this fall, speak very clearly to these issues. The public deserves a tax cut. When you have a surplus that you have collected from the American taxpayer, you ought to give it back, or at least you ought to give a substantial portion of it back.

Polling shows that the American public also expects us to pay off the debt, and one of the ways you pay off the debt or you eliminate a major portion of the debt structure of this country is by dealing with Social Security, because the debt is, in fact, the money that we have borrowed from the Social Security trust funds by the character of the unified budget under which we finance the activities of our Government.

I am going to support Senator ASHCROFT and Senator BROWNBACK today in their effort. We must deal with this. It is timely that we deal with it now, and I think it is important that the Senate express itself with this opportunity. The marriage penalty is a major first step in addressing what needs to be significant tax reform in this country that I hope can come in the 106th Congress that will convene in January of next year.

I applaud my colleagues today for bringing this issue to the floor for debate and for a vote, and I hope the Senate will concur with them. I yield the floor.

Mr. KEMPTHORNE addressed the Chair.

The PRESIDING OFFICER. The Senator from Idaho.

Mr. KEMPTHORNE. Mr. President, this morning we will vote on an amendment that brings to light a particularly glaring injustice of the Federal Tax Code, and that is the marriage tax penalty.

In recent months, the Senate has debated this issue more than once. I think these efforts are significant. I congratulate Senators BROWNBACK and ASHCROFT for offering this amendment and also the many other Members who have championed the elimination of the marriage tax penalty.

Let me also say this: The U.S. Senate should not rest until we are able to eliminate this counterproductive, unfair, and regressive policy. I will continue to support amendments to end the marriage tax penalty until we are successful.

I ask myself one fundamental question before I make up my mind on any issue we deal with on the floor of the U.S. Senate. That is: Does this policy make sense for the American people?

Let us apply this question to our current Federal Tax Code, which quite simply penalizes a working couple for getting married. Should folks pay more tax because they are married? Absolutely not.

The marriage tax penalty raises revenue for the Government but it is poor public policy. It most often raises taxes on lower- and middle-income families who claim the standard deduction. That is wrong. We must strengthen the bonds of family to strengthen the fabric of our society.

Before 1969, marriages were treated by the Federal Tax Code like partnerships—allowing husbands and wives to split their incomes evenly. In 1969, the practice of income splitting was ended. By doing this, the Government did nothing less than penalize American couples for marrying.

Since that time, with the Nation's progressive tax rates, tax laws have meant that working married couples are forced to pay significantly more money in taxes than they would if they were both single. Currently, 42 percent of married couples suffer because of the marriage tax penalty.

Let me provide an example. A single person earning $24,000 per year is taxed at a rate of 15 percent. If two people, each earning $24,000, get married, the IRS, by taxing them on their combined income, taxes them in the 28-percent bracket.

This amendment will phase out the marriage tax penalty by allowing married couples to file a combined return. By doing this, each spouse is taxed using the rates applicable to unmarried individuals so that one spouse's lesser income does not push a couple's combined income into a higher tax bracket.

Some might argue that it is the job of the Federal Government to promote good behavior; others might disagree. But I think that we could all agree on one issue: The Federal Government should not be penalizing marriages, a sacrosanct institution and the bedrock of our social structure. It is time for the Federal Government to end this injustice to the American family. I urge my colleagues to support this amendment.

How many times have we heard, Mr. President, statements by Senators on the floor of this institution talking about family values—family, the fabric of this society? Yet, here we have tax policy that penalizes families. It is time to end the injustice. Again, I support Senator BROWNBACK and Senator ASHCROFT and the leadership on this issue.

I yield the floor.

Mr. ROTH addressed the Chair.

The PRESIDING OFFICER. The Senator from Delaware.

Mr. ROTH. Mr. President, I am in the contradictory position of agreeing in substance with this amendment. There is no question in my mind that it is wrong to penalize married couples who pay more taxes than if they were single. As I have said, it is a matter that must be corrected. As chairman of the Finance Committee, I shall work mightily to see that this is accomplished.

But the fact is that this is a revenue measure. If this amendment is adopted, it subjects the entire Treasury-Postal appropriations to a blue slip from the House of Representatives. Under our Constitution, revenue measures must originate in the House. If not, any Member—and, again, I emphasize any Member—of the House can raise an objection. The result would be that this appropriations bill dies. I do not think that is in anyone's interest. For that reason, I move to table the amendment.

I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question now occurs on agreeing to the motion to table the Brownback amendment. The yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. NICKLES. I announce that the Senator from North Carolina (Mr. HELMS) is absent because of illness.

I further announce that, if present and voting, the Senator from North Carolina (Mr. HELMS) would vote ''no.''

The result was announced—yeas 48, nays 51, as follows:

[Rollcall Vote No. 242 Leg.]

YEAS—48

Akaka	Feinstein	Lieberman
Baucus	Ford	Mikulski
Biden	Glenn	Moseley-Braun
Bingaman	Gorton	Moynihan
Boxer	Graham	Murray
Breaux	Harkin	Reed
Bryan	Inouye	Reid
Bumpers	Johnson	Robb
Byrd	Kennedy	Rockefeller
Cleland	Kerrey	Roth
Conrad	Kerry	Sarbanes
Daschle	Kohl	Snowe
Dodd	Landrieu	Thompson
Dorgan	Lautenberg	Torricelli
Durbin	Leahy	Wellstone
Feingold	Levin	Wyden

NAYS—51

Abraham	Enzi	Lugar
Allard	Faircloth	Mack
Ashcroft	Frist	McCain
Bennett	Gramm	McConnell
Bond	Grams	Murkowski
Brownback	Grassley	Nickles
Burns	Gregg	Roberts
Campbell	Hagel	Santorum
Chafee	Hatch	Sessions
Coats	Hollings	Shelby
Cochran	Hutchinson	Smith (NH)
Collins	Hutchison	Smith (OR)
Coverdell	Inhofe	Specter
Craig	Jeffords	Stevens
D'Amato	Kempthorne	Thomas
DeWine	Kyl	Thurmond
Domenici	Lott	Warner

NOT VOTING—1

Helms

The motion to lay on the table the amendment (No. 3359) was rejected.

Mr. CAMPBELL. Mr. President, I move to reconsider the vote by which the motion was rejected.

Mr. NICKLES. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BROWNBACK addressed the Chair.

The PRESIDING OFFICER. The Senator from Kansas.

Mr. BROWNBACK. Mr. President, this is the amendment that I put forward——

Mr. GRAMM. May we have order, Mr. President, so we can hear the Senator from Kansas?

The PRESIDING OFFICER. The Senate will be in order.

AMENDMENT NO. 3359, WITHDRAWN

Mr. BROWNBACK. Mr. President, I appreciate greatly everybody's support of the notion that we should do away with the marriage penalty. It is the appropriate signal, and it is the appropriate thing for us to say to the American public. It is the appropriate sort of tax cut that we can certainly pay for it at the present time. I am particularly appreciative of the leadership's support and Senator LOTT's commitment to provide that sort of working relief to American taxpayers.

I am withdrawing my amendment because the Constitution does not allow tax-cutting legislation to originate in the Senate. This vote, however, sends a strong message to the House that we want to eliminate the marriage penalty. And that is what we hope to be able to get done yet this session of Congress.

I would like to yield to one of the cosponsors of this amendment, the Senator from Missouri, for comments as well.

Mr. ASHCROFT addressed the Chair.

The PRESIDING OFFICER. The Senator from Missouri.

Mr. ASHCROFT. Mr. President, I commend the Senator from Kansas for his outstanding work on this issue. I believe that it is simply wrong for America to launch through the tax system an assault on one of the major principles of our culture—enduring, lasting marriages. But I concur with his judgment that this would subject this bill to what is known as a blue slip in the House and could disrupt the business that we ought to be conducting. I commend him for withdrawing the amendment. I thank him for the excellent work that he has done.

I think this vote is a clear signal that this body understands this assault on the values of America, known as the marriage penalty, does not belong in the policy of this country.

I thank the Senator from Kansas. I thank those who supported this particular effort and hope that we will have an opportunity to rally as public servants to eliminate this scar on the body politic whereby we wound the primary institution of stability in our culture, the family, by penalizing marriages. It is time for us to stop that. I believe we can and will, and this vote demonstrates it.

I thank the Senator from Kansas. I thank the Chair.

The PRESIDING OFFICER. At the request of the Senator from Kansas, the amendment is withdrawn.

The amendment (No. 3359) was withdrawn

Mr. DASCHLE addressed the Chair.

The PRESIDING OFFICER. The Democratic leader.

Mr. DASCHLE. Mr. President, I don't want anyone to misinterpret the vote just taken. Obviously, there are a lot of motivations in offering amendments like this on the appropriations bill. As the Senator from Missouri just noted, this legislation would have been blue-slipped had it gone over to the House. I appreciate the actions just taken in withdrawing the amendment.

So that there will be no doubt, we will be offering a similar marriage penalty amendment this afternoon—a marriage penalty amendment that will be paid for, that will be targeted, that will offer a far greater opportunity to address the real issue without using the Social Security surplus.

The previous amendment would have, without question, used Social Security to pay for it's tax benefits. One hundred billion dollars over the next 5 years out of the Social Security Trust Fund surplus is something most Democrats are unprepared to support. We don't have to use the Social Security trust fund. We don't have to use the surplus. We don't have to use a broad-based, completely untargeted approach to marriage penalty relief.

So we will have another opportunity this afternoon to vote on the marriage penalty in a reasonable and a direct and a far more responsible way. And I look forward to that debate as well.

Mr. DORGAN. Mr. President, will the Senator from South Dakota yield for a question?

Mr. DASCHLE. Yes, I yield.

Mr. DORGAN. I am trying to understand the difference. We voted on a tabling motion. We went actually to a recorded vote on a tabling motion on this amendment. Then, immediately after the tabling motion failed, the author of the amendment said he was going to withdraw it because apparently it would be blue-slipped and, therefore, inappropriate, and, second, violates the Budget Act.

What is the difference between voting to table and then being the author and deciding it violates the Budget Act and it is also a blue-slip problem, and therefore I am going to withdraw it? Is there any distinction between a vote to table and a decision by the author to withdraw, in the Senator's opinion?

Mr. DASCHLE. The Senator from North Dakota raises a good question. I don't know what motivation there may have been to simply put the Senate on record one more time. As everyone recalls, we had this debate on the tobacco bill. We had two versions of the marriage penalty proposed—the Democratic version and the Republican version. There are some very considerable differences. But, voting against the tabling motion and then withdrawing it seems somewhat of a convoluted approach to legislating. I am unclear as to what the motivation may have been.

Mr. DURBIN. Mr. President, will the Senator yield for a question?

Mr. DASCHLE. Certainly, I will yield for a question.

Mr. DURBIN. I am glad the Senator reminded us that we had this morning penalty issues on the tobacco bill. The Senators who voted to table that tobacco bill had actually voted to table the marriage penalty then, did they not?

Mr. DASCHLE. The Senator from Illinois is correct. There was a motion to table the amendment at that time. They voted to do so at that time. Obviously, they will probably be voting again this afternoon to table a marriage penalty vote that we will be offering.

It will be interesting to see how this plays out. But, clearly, I think there

was a political motivation as much as a substantive motivation on the part of our Republican colleagues. That was evidenced in the tobacco bill debate, and it will be evidenced again today.

Mr. DURBIN. Will the Senator yield for one more question?

Mr. DASCHLE. Yes.

Mr. DURBIN. For those of us who want to make certain the surplus is used first to guarantee the longevity and solvency of the Social Security trust fund, are we going to have an opportunity with the amendment that the Senator is going to offer to support tax reform consistent with that goal of protecting Social Security first?

Mr. DASCHLE. The Senator from Illinois is absolutely correct. We don't have to use Social Security trust funds. We don't have to use the surplus to pay for a marriage penalty amendment. We can find an appropriate offset and delineate that offset, which is what I think is the responsible thing to do. There was no delineation of an offset in the previous amendment, so one has to assume that the Republican amendment was, again, more of a demonstration of rhetoric than genuine effort to provide responsibly-funded tax relief. The rhetoric we get from our colleagues on the other side that they will not use the Social Security trust funds. The facts are otherwise. For example, in this amendment, $100 billion in Social Security trust funds were likely to be used.

There is a difference between our approaches to fiscal responsibility, protecting Social Security, and providing tax relief. I think that ought to be made clear in the RECORD. We will have an opportunity once more to debate that this afternoon.

Mr. DORGAN. I wonder if the Senator will yield for one additional question?

Mr. DASCHLE. I yield to the Senator.

Mr. DORGAN. I inquire of the Senator from South Dakota, the representation was made by the author of the amendment, after the vote, ''We now have some expression of who in the Senate wants to abolish the marriage tax penalty.'' We have had other votes on that constructed in different ways, constructed in ways that don't use the Social Security trust funds in order to provide this kind of tax relief. But, could one also not make the point that those who voted against tabling were casting a vote to violate the Budget Act? If, in fact, the amendment as offered violated the Budget Act, could one not construe a vote in opposition to tabling to say, by those who cast that vote, we would like to violate the Budget Act here? I mean, there are all kinds of motives, I suppose. I don't want to ascribe motives to anyone. But it seems to me, to have a tabling vote here on the floor of the Senate and then decide by that tabling vote who cares or does not care about the marriage tax penalty, and then withdraw the amendment and then stand up and say, ''Now we know who cares and doesn't care,'' it seems to me you could also put different interpretations on that same vote. Perhaps the people who decided they didn't care whether it violated the Budget Act cast a vote to say we didn't care about the Budget Act. Would that be a fair construction?

Mr. DASCHLE. I think it is a fair construction. I give great credit to the chairman of the Finance Committee for making that point. The chairman of the Finance Committee did the responsible thing and was certainly showing, once again, his leadership in this regard in making sure everyone understood this is not a tax bill. This is an appropriations bill. There is a time to address taxes. There is a time to address spending through appropriations. The chairman of the Finance Committee drew that distinction, as did most of us.

So, again, we will have another opportunity to discuss this matter, but I simply wanted at this point in the RECORD to be sure everyone understood what motivations there may have been for those of us who feel we ought to take a more responsible view with regard to the marriage penalty itself.

I yield the floor.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Kansas.

Mr. BROWNBACK. Mr. President, I appreciate the opportunity to explain to my colleagues what the issue was just about. I appreciate the opportunity, as well, to be able to address the question of motivation.

Make no mistake about the motivation here. Our motivation is to eliminate the marriage penalty tax. That is pure and simple. That is what we have been saying for the last couple of hours. It is to eliminate the marriage penalty tax.

We wanted to have this debate at this point in time and juncture because there are less than 30 legislative days until we finish up. Signals that have been coming out haven't been much about tax cuts. They have been mostly about spending. We wanted to send a very clear signal we are for cutting taxes, and in particular, first and foremost, the marriage penalty tax.

We needed to have some way to be able to have that debate. We spent a lot of time here on the Senate floor—we spent 4 weeks on a tobacco bill. We spent a lot of time on a lot of other issues. We have not spent much time on tax cuts. We are limited on the number of things we can talk about, and the vehicles we can talk about them on. This was one we could, and we decided it is getting to the end of this session, we have to start talking about tax cuts. We have to start talking about families. This is one of the things that we can talk about, the marriage penalty tax.

Anybody looking at the Constitution can say, ''Wait a minute; this has to originate in the House.'' And it does. Then there is a blue slip procedure in the House, which exists. We are soon to be going out for the August break, and we wanted to be able to say to our colleagues in the House: There is support for marriage penalty tax elimination. We wanted to get that debate started and moving on forward and to say that to them. That is what this debate was about. That is what the vote was for. That is what our motivation is. If anybody is questioning that, we have been standing here for 2 or 3 hours saying that is what we want to do.

I hope my colleagues on the other side of the aisle will join us, when it comes back from the House, to eliminate the marriage penalty tax. It is a ridiculous tax. I hope most of them would stand up and vote with us at that point in time. If they want to change their vote this time, maybe we can try it again here later on, to send that stronger signal to the House that the Democrat side supports this as well. That is what we are about and that is what we are trying to get through.

I think we spent plenty of time debating that and making that point clear. So if there is a question about motivation, that is what it is about. It is eliminating that marriage tax penalty and sending that signal back over to the House.

I appreciate the opportunity to speak, and I yield the floor.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. DORGAN. The Senator from Kansas makes a fair point. I think he makes his point with some credibility on the issue of the marriage tax penalty. I understand that. I think most people find most Members of the Senate agree with him. When, in the Tax Code, you have a penalty with respect to the income tax for certain married couples, we ought to do something to address that. I just observed, however, that the Senator from Kansas and the Senator from Missouri offered an amendment that addresses it and then withdrew the amendment because it apparently violates the Budget Act and would be blue-slipped in any event because a revenue measure of this type must be advanced first in the House of Representatives by the Ways and Means Committee.

The reason I stood, following the vote on tabling this amendment, was I did not want this to be interpreted as the Senator from Kansas was interpreting it, that this tabling motion was a description of who in the Senate cares about the marriage tax penalty. I think there are many Members of the Senate who agree with the Senator that the marriage tax penalty ought to be eliminated. It ought to be eliminated. We ought to find a way to do that. We ought to find the right way to do that.

The question is, When you eliminate the marriage tax penalty, as the Senator from Delaware, the chairman of the Finance Committee indicated,

where do you make up the revenue? Exactly how do you construct something that makes up the revenue you lose when you eliminate the marriage tax penalty? I think it is a worthy effort for this Congress and future Congresses to embark upon. But as we have discussed before, the proposition that was offered this morning would lose a substantial amount of revenue we now have. The proposal did not offer methods by which that would be made up. I think we have to do that. That is precisely why it violated the Budget Act.

I have heard a great deal of debate by a number of Senators here on the floor—the Senator from Kansas, from Missouri, and others. As the Senator knows, there have been other proposals to address the marriage tax penalty on the floor of the Senate that have also gotten a number of votes, and I have voted for addressing that issue, because I think it is a worthy issue to address.

So I just thought it was curious that we had a proposal that I think costs over $100 billion or so that had a blue slip problem and a problem of violating the Budget Act, that we debate it and then we have a tabling motion, and we allow people to vote not to table it, and then stand up and say those who voted not to table it care about dealing with the marriage penalty and, by inference, those who voted to table it do not care. Then the vote is over and it is not tabled, it is still prevailing here in the Senate, still pending as the Senate business, and then it is withdrawn precisely because it has the problems those who voted to table it allege that it had.

I just want to make the point, you will find support and we will find support, I think, when you and a number of us together address the marriage tax penalty in a thoughtful way and in a way that does not bust the Budget Act and does not create a blue slip and does not propose solutions for which there are not revenues in order to make up the shortfall.

I appreciate the attention of the Senator from Kansas and the Senator from Missouri. Let me end by saying, again, it is a worthy subject for the Senate to consider, but we cannot consider it in ways that violate the Budget Act.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Missouri.

Mr. ASHCROFT. Mr. President, I thank the Senator from Kansas. I thank the Senator from North Dakota. This is a matter that deserves our attention. It is an affront to the very institution that is most critical to the future of America. Some might say since this is not going to be included in a part of this bill because of the problems of originating such a measure in the Senate, that perhaps this was an endeavor which lacked merit.

I really think it is important for us to keep the pressure on in this arena. It is important for a very simple reason, and that is that there are proposals to spend, spend, spend constantly. They are insistent. They always have the support of the bureaucracy. They would fund a bigger and bigger Government, more bloated and more bloated. It is essential that we elevate into the consciousness of this body and to the consciousness of the American public that there are very important places in which we ought to provide relief to American families, particularly as it relates to the marriage penalty, which is an attack by our Government on a central value of our culture, that value of marriage.

You had but to look at this year and to see what it has contained. We started the year in January with some suggestion we were going to have additional revenues. The President came out virtually every day in January while we were preparing to come into session with what I call the ''program du jour.'' It was like going to the diner and having the special. Every day there was a new program to expand spending, to enlarge the consumption of Government, and implicitly, to contract the ability of people to spend the money that they earned as families.

For those people who believe the success of America in the next generation is going to be based on Government, then that is, I think, a good strategy. But for those of us who believe the real success of America is not going to be based on Government programs, but is going to be based on whether or not we have solid families, then I think a strategy should exist to bring attention to the fact that we are penalizing, at the rate of $29 billion a year, people simply for being married. Some people think, ''We need to be spending this money in Government.''

Frankly, we ought to ask ourselves, do we think we are going to do more to foster the No. 1 institution in American culture, the family, by taking money from them and spending it in the bureaucracy, or letting those families spend the money on their own families in order to do what they need to do and to provide for a strong America.

This isn't a question about whether moneys are going to be spent or not. This is a question about whether people are going to spend money on their families or the bureaucracy is going to spend money on Government. Which do we believe builds a stronger America?

Frankly, the number of spending proposals that we are the recipient of continues to skyrocket. I have to say that the rules of this organization, the rules of the Senate, the rules of the Congress favor spending. It is hard to get something through to give money back to the people, and it should not be. But for so long, we have been so prejudiced toward taking money, and it has finally gotten to a point that is unacceptable. We are at the highest overall tax rate in Government in American history right now. It is time for us to say no more, especially as it relates to an assault on the American family.

It is true this measure has been withdrawn because it is awkward and not in accordance with the rules as relates to this measure, but it is time for us to begin to elevate this and to say, ''Wait, we have to stop this insistent consumption by the Government that keeps us from being able to spend our own resources as families.''

I thank the Senator from Kansas for an outstanding job. I was pleased to march shoulder to shoulder with him in this effort. I, frankly, welcome people from both sides of the aisle who feel keenly about this. We do need relief for American families, I don't think there is any question about it. I am delighted that some are expressing that and will continue to do so.

I have been delighted at every turn of the debate when individuals have understood that the future of America is far more likely to be guaranteed and ensured by strong families than it is by big Government. It is time for us to reflect that in our tax policy.

I thank the Senator from Kansas, and I look forward to working with him toward the realization of this goal of declaring peace on America's families. For too long, we have made war with our tax policy on America's families. I yield the floor.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Colorado.

Mr. CAMPBELL. Mr. President, we are only going to be another 10 minutes or so, and there are several Senators who want to make unanimous consent requests.

Since we only have a few minutes, and I hate to burden the two Senators who are waiting, I will wait and send the remainder of the amendments to the desk after the break. I yield the floor.

Mr. ABRAHAM addressed the Chair.

The PRESIDING OFFICER. The Senator from Michigan.

AMENDMENT NO. 3362

(Purpose: To require Federal agencies to assess the impact of policies and regulations on families, and for other purposes)

Mr. ABRAHAM. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from Michigan [Mr. ABRAHAM], for himself, Mr. FAIRCLOTH, Mr. SESSIONS, Mr. HUTCHINSON, Mr. DEWINE, Mr. MCCAIN, Mr. BROWNBACK, Mr. ENZI, Mr. HELMS, Mr. COVERDELL and Mr. ASHCROFT, proposes an amendment numbered 3362.

Mr. ABRAHAM. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place, insert the following:

SEC. ___. ASSESSMENT OF FEDERAL REGULATIONS AND POLICIES ON FAMILIES.

(a) PURPOSES.—The purposes of this section are to—

(1) require agencies to assess the impact of proposed agency actions on family well-being; and

(2) improve the management of executive branch agencies.

(b) DEFINITIONS.—In this section—

(1) the term ''agency'' has the meaning given the term ''Executive agency'' by section 105 of title 5, United States Code, except such term does not include the General Accounting Office; and

(2) the term ''family'' means—

(A) a group of individuals related by blood, marriage, or adoption who live together as a single household; and

(B) any individual who is not a member of such group, but who is related by blood, marriage, or adoption to a member of such group, and over half of whose support in a calendar year is received from such group.

(c) FAMILY POLICYMAKING ASSESSMENT.—Before implementing policies and regulations that may affect family well-being, each agency shall assess such actions with respect to whether—

(1) the action strengthens or erodes the stability of the family and, particularly, the marital commitment;

(2) the action strengthens or erodes the authority and rights of parents in the education, nurture, and supervision of their children;

(3) the action helps the family perform its functions, or substitutes governmental activity for the function;

(4) the action increases or decreases disposable family income;

(5) the proposed benefits of the action justify the financial impact on the family;

(6) the action may be carried out by State or local government or by the family; and

(7) the action establishes an implicit or explicit policy concerning the relationship between the behavior and personal responsibility of youth, and the norms of society.

(d) GOVERNMENTWIDE FAMILY POLICY COORDINATION AND REVIEW.—

(1) CERTIFICATION AND RATIONALE.—With respect to each proposed policy or regulation that may affect family well-being, the head of each agency shall—

(A) submit a written certification to the Director of the Office of Management and Budget and to Congress that such policy or regulation has been assessed in accordance with this section; and

(B) provide an adequate rationale for implementation of each policy or regulation that may negatively affect family well-being.

(2) OFFICE OF MANAGEMENT AND BUDGET.—The Director of the Office of Management and Budget shall—

(A) ensure that policies and regulations proposed by agencies are implemented consistent with this section; and

(B) compile, index, and submit annually to the Congress the written certifications received pursuant to paragraph (1)(A).

(3) OFFICE OF POLICY DEVELOPMENT.—The Office of Policy Development shall—

(A) assess proposed policies and regulations in accordance with this section;

(B) provide evaluations of policies and regulations that may affect family well-being to the Director of the Office of Management and Budget; and

(C) advise the President on policy and regulatory actions that may be taken to strengthen the institutions of marriage and family in the United States.

(e) ASSESSMENTS UPON REQUEST BY MEMBERS OF CONGRESS.—Upon request by a Member of Congress relating to a proposed policy or regulation, an agency shall conduct an assessment in accordance with subsection (c), and shall provide a certification and rationale in accordance with subsection (d).

(f) JUDICIAL REVIEW.—This section is not intended to create any right or benefit, substantive or procedural, enforceable at law by a party against the United States, its agencies, its officers, or any person.

Mr. ABRAHAM. Mr. President, in light of the hour, I will only speak briefly about this amendment now and then move to set it aside so the Senator from Delaware can speak, and then we can return to this sometime later today.

This is an amendment, obviously, to the Treasury-Postal appropriations bill. This amendment, essentially, accomplishes a very specific purpose: to reinstate an Executive order which was in effect for over 10 years intended to ''ensure that the autonomy and rights of the family are considered in the formulation and implementation of policies by Executive departments and agencies.''

I am offering the Family Impact Statement Act as a relevant amendment to the Treasury-Postal appropriations bill because it is this bill which funds the agency which will oversee its implementation and enforcement; namely, the Office of Management and Budget.

I believe that today, in an era during which observers and social scientists from all parts of the political spectrum have come to realize the profound importance of the family on character development, we should be doing everything we can to protect the health, security and autonomy of the American family.

This belief lay behind President Ronald Reagan's signing of the family impact Executive order in 1987. In my view, President Clinton made a mistake last April when he revoked this order as part of an Executive order on environmental policy. Now I believe, more than ever, we need to make our bureaucracy more supportive and respectful of families' interests. I believe my colleagues will have no trouble giving their enthusiastic support to this amendment.

Simply put, this amendment will require Federal agencies to assess the impacts of their policies and regulations on America's families. It provides that each agency assess policies and regulations that may affect family well-being.

This assessment will aim to determine:

One, whether the action strengthens or erodes the stability of the family and particularly the marital commitment;

Two, whether the action strengthens or erodes the authority and rights of parents in the education, nurturing and supervision of their children;

Three, whether the act helps the family perform its function or substitute governmental activity for that function;

Four, whether the action increases or decreases disposable family income;

Five, whether the benefits of the proposed action will justify its financial impact on the family;

Six, whether the governmental action may be carried out by State or local government or by the family itself;

And seven, whether the action establishes an implicit or explicit policy concerning the relationship between the behavior and personal responsibility of young people and the norms of society.

Simply put, Mr. President, agencies will be directed to assess whether proposed rules and policies will help or hurt families as they seek to provide mutual support and carry out their vital function of forming children into good adults, good citizens, good workers, and good neighbors.

On finishing this assessment, the agency heads will submit a written certification to the Office of Management and Budget and to Congress that the assessment has been made and provide adequate rationale for implementing each policy or regulation that may adversely affect family well-being.

The Director of the Office of Management and Budget will then use this information to ensure that agency policies and regulations are implemented consistent with this amendment, and compile, index, and submit annually to Congress the written certifications made by agency heads.

To ensure that no proposed policy or regulation that could adversely affect the family goes unassessed, this legislation also provides that a Member of Congress may request a family impact assessment and certification.

In addition, the Office of Policy Development will be directed by this amendment to assess proposed policies and regulations in accordance with it, provide evaluations to the Office of Management and Budget, and advise the President on policy and regulatory actions that may be taken to strengthen marriage and the family in the United States.

In my view—and I will limit my statement at this time—I believe that most Members of this body, as we have already seen expressed today from both sides of the aisle, are very concerned about America's families and want to be on the side of strengthening families.

There are a variety of ways to do this, and the Executive order which was enacted in 1987 by President Reagan made unelected persons in our governmental bureaucracies responsible for assessing the impact on families of new rules and regulations before they were implemented. To me, that is a sensible thing to require of our Government regulators.

The decision to revoke that requirement, which was made last year, in my judgment, was a step in the wrong direction. This amendment seeks to, in effect, reinstitute those policies so that the concerns and the impact on families of governmental regulations will be assessed prior to—prior to—the creation of and implementation of new Federal regulations.

I think that makes sense, Mr. President. For that reason, I offer the

amendment on behalf of myself and a number of other Senators who cosponsored our original legislation. In light of the hour and the desire on the part of others to speak at this time, I ask unanimous consent that this amendment be set aside for further consideration later today.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROTH addressed the Chair.

The PRESIDING OFFICER. The Senator from Delaware. I remind the Senator that under the previous order, the Senate will recess at 12:30.

Mr. ROTH. Mr. President, I ask unanimous consent that we stay in session until I complete my statement, which will be roughly 10 to 15 minutes.

The PRESIDING OFFICER. Is there objection?

Mr. DURBIN. Reserving the right to object, I am sorry, I did not hear the Senator's closing comment. That we stay in session until what time?

Mr. ROTH. Until I complete my statement, which will be roughly 10 to 15 minutes.

Mr. DURBIN. I have no objection.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator from Delaware.

Mr. ROTH. Mr. President, I also ask unanimous consent that I may speak as in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROTH. I thank the Chair.

(The remarks of Mr. ROTH pertaining to the introduction of S. 2369 are located in today's RECORD under ''Statements on Introduced Bills and Joint Resolutions.'')

RECESS UNTIL 2:15

The PRESIDING OFFICER. Under the previous order, the Senate will now stand in recess until the hour of 2:15 p.m.

Thereupon, the Senate, at 12:40 p.m., recessed until 2:15 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer [Mr. ROBERTS].

Mr. CAMPBELL addressed the Chair.

The PRESIDING OFFICER. The Senator from Colorado is recognized.

Mr. CAMPBELL. Mr. President, we have some housekeeping things before we go to the next amendment.

AMENDMENT NO. 3363

Mr. CAMPBELL. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Colorado [Mr. CAMPBELL], for Mr. MACK, proposes an amendment numbered 3363.

Mr. CAMPBELL. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place in title IV, insert:

SEC. ___. LAND CONVEYANCE, UNITED STATES NAVAL OBSERVATORY/ALTERNATE TIME SERVICE LABORATORY, FLORIDA.

(a) CONVEYANCE AUTHORIZED.—If the Secretary of the Navy reports to the Administrator of General Services that the property described in subsection (b) is excess property of the Department of the Navy under section 202(b) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 483(b)), and if the Administrator of General Services determines that such property is surplus property under that Act, then the Administrator may convey to the University of Miami, by negotiated sale or negotiated land exchange within one year after the date of the determination by the Administrator, all right, title, and interest of the United States in and to the property.

(b) COVERED PROPERTY.—The property referred to in subsection (a) is real property in Miami-Dade County, Florida, including improvements thereon, comprising the Federal facility known as the United States Naval Observatory/Alternate Time Service Laboratory, consisting of approximately 76 acres. The exact acreage and legal description of the property shall be determined by a survey that is satisfactory to the Administrator.

(c) CONDITION REGARDING USE.—Any conveyance under subsection (a) shall be subject to the condition that during the 10-year period beginning on the date of the conveyance, the University shall use the property, or provide for use of the property, only for—

(1) a research, education, and training facility complementary to longstanding national research missions, subject to such incidental exceptions as may be approved by the Administrator;

(2) research-related purposes other than the use specified in paragraph (1), under an agreement entered into by the Administrator and the University; or

(3) a combination of uses described in paragraph (1) and paragraph (2), respectively.

(d) REVERSION.—If the Administrator determines at any time that the property conveyed under subsection (a) is not being used in accordance with this section, all right, title, and interest in and to the property, including any improvements thereon, shall revert to the United States, and the United States shall have the right of immediate entry thereon.

(e) ADDITIONAL TERMS AND CONDITIONS.—The Administrator may require such additional terms and conditions in connection with the conveyance under subsection (a) as the Administrator considers appropriate to protect the interests of the United States.

Mr. CAMPBELL. Mr. President, this amendment encourages GSA to convey property in Miami, should the Secretary of the Navy choose to access it. It is my understanding it has been accepted on both sides.

Mr. KOHL. We accept that. That is fine.

The PRESIDING OFFICER. If there is no further debate, without objection, the amendment is agreed to.

The amendment (No. 3363) was agreed to.

AMENDMENT NO. 3364

(Purpose: To establish requirements for the provision of child care in Federal facilities)

Mr. CAMPBELL. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Colorado [Mr. CAMPBELL], for Mr. JEFFORDS, for himself, Ms. LANDRIEU, Mr. DODD, and Mr. KOHL, proposes an amendment numbered 3364.

Mr. CAMPBELL. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The text of the amendment is printed in today's RECORD under Amendments Submitted.'')

Mr. JEFFORDS. Mr. President, the amendment before us on the Treasury-Postal appropriations bill concerns the provision of child care services located in federally-owned and -leased buildings. This amendment will go a long way towards ensuring that child care services located in federally-owned and leased buildings are safe, positive environments for the children of federal employees.

I have been working closely with the Senate Committee on Government Affairs which has jurisdiction over this legislation. Chairman THOMPSON and his staff have been extremely helpful, as has the ranking member of that committee, Senator GLENN. The Senate Rules Committee was instrumental in crafting the language related to the Senate Employees' Child Care Center. I want to thank Chairman WARNER, and Senator FORD and their staff for their assistance.

This amendment was first introduced as a stand-alone bill on November 7, 1997. It was drafted because of several serious incidents which occurred in federal child care facilities. At that time, it came to my attention that child care centers located in federal facilities are not subject to even the most minimal health and safety standards.

As my colleagues know, federal property is exempt from state and local laws, regulations, and oversight. What this means for child care centers on federal property is that state and local health safety standards do not and cannot apply. This might not be a problem if federally-owned or leased child care centers met enforceable health and safety standards. I think most parents who place their children in federal child care would assume that this would be the case. However, I think federal employees will find it very surprising to learn, as I did, that, at many centers, no such health and safety standards apply.

I find this very troubling, and I think we should be embarassed that child care in federal facilities child care cannot guarantee that children are in safe environments. The federal government should set the example when it comes to providing safe child care. It should not turn an apathetic shoulder from meeting such standards simply because state and local regulations do not apply to them.

My amendment will require child care services in federal buildings to meet a standard no less stringent than the requirements for the same type of child care offered in the community in

which the federal child care center is located. The child care provider would not be required to obtain a state or local license, although that is an option open to them. The Government Services Administration would be responsible for establishing the rules and regulations necessary to ensure that each child care facility in a federal building meets the same level of standards applicable to other child care services in the community.

In 1987, Congress passed the ''Trible amendment'' which permitted executive, legislative, and judicial branch agencies to utilize a portion of federally-owned or leased space for the provision of child care services for federal employees. The General Services Administration (GSA) was given the authority to provide guidance, assistance, and oversight to federal agencies for the development of child care centers. In the decade since the Trible amendment was passed, hundreds of federal facilities throughout the nation have established on-site child care centers which are a tremendous help to our employees.

The General Services Administration has done an excellent job of helping agencies develop child care centers and have adopted strong standards for those centers located in GSA-leased or -owned space. However, there are over 100 child care centers located in federal facilities that are not subject to the GSA standards or any other laws, rules, or regulations to ensure that the facilities are safe places for our children. Most parents, placing their children in a federal child care center, assume that some standards are in place—assume that the centers must minimally meet state and local child care licensing rules and regulations. They assume that the centers are subject to independent oversight and monitoring to continually ensure the safety of the premises.

Yet, that is not the case. In one case a federal employee had strong reason to suspect the sexual abuse of her child by an employee of child care center located in a federal facility. Local child protective services and law enforcement personnel were denied access to the premises and were prohibited from investigating the incident. Another employee's child was repeatedly injured because the child care providers under contract with a federal agency to provide on-site child care services failed to ensure that age-appropriate health and safety measures were taken—current law says they were not required to do so, even after the problems were identified and injuries had occurred.

In addition, I believe that the federal government can and should lead by example. Federal facilities should always try to meet the highest possible standards. In fact, the GSA has required national accreditation in GSA-owned and leased facilities, and has stated that its centers are either in compliance or are strenuously working to get there. This is the kind of tough standard we should strive for in all of our federal child care facilities.

For that reason, this amendment requires that within five years, all child care services located within federal facilities must become accredited by a professionally recognized child care accreditation entity. While state and local child care requirements generally ensure that those services meet the basic health and safety needs, child care credentialling entities go further. Accreditation also includes requirements that developmentally appropriate activities are an integral part of the program, that staff is trained, and that the program is a positive environment that contributes to the healthy development of children receiving child care services.

There are several child care accreditation entities providing these services around the country. The National Council for Private School Accreditation is a coalition of 13 entities providing private school accreditation, many of which issue credentials to child care service providers. The Council on Accreditation of Services for Families and Children, Inc. has developed standards and guidelines that are used by several child care accreditation entities to ensure a high quality of care for children. The National Association for the Education of Young Children provides accreditation for child care centers throughout the country. The Lutheran Church-Missouri Synod has been accrediting child care services longer than any other entity.

Child care providers in federally-owned and leased facilities will be able to choose which child care accreditation they will obtain. In addition, the General Services Administration is permitted to develop a child care accreditation process to add to the choices already available to programs in federal facilities.

Federal child care should mean something more than simply a location in a federal facility. The federal government has an obligation to provide safe care for the children of its employees, and it has a responsibility for making sure that those standards are monitored and enforced. Some federal employees receive this guarantee. Many do not. We can and must do better.

Senators LANDRIEU and DODD are original co-sponsors of this amendment. I urge my colleagues to help ensure high quality child care in federally owned and leased facilities by supporting this amendment.

Mr. DODD. Mr. President, it is my pleasure today to join my colleague from Vermont, Senator JEFFORDS and my colleague from Louisiana, Senator MARY LANDRIEU, in cosponsoring an amendment to require federal child care facilities to lead by example when it comes to child care quality.

Up to this point Mr. President, we in the federal government have not shown strong leadership when it comes to child care quality.

Many parents of children in federal child care facilities have been surprised to discover that these facilities are exempt from the state and local quality standards that apply to non-federal centers. Many parents have been surprised to find that the federal government does not require its centers to be accredited.

With this amendment, for the first time, the more than 200 federal, non-military, child care centers would be required to meet all state licensing standards. For the first time, these centers would be required to demonstrate that they provide high quality child care by becoming accredited by a nationally recognized accrediting body.

Child care shouldn't be like going to Las Vegas—where you roll the dice and hope for the best. Parents should be confident that when they are not able to be with their children, their children will still be well cared for. We shouldn't be gambling with our children's health and safety.

This legislation will go a long way toward giving parents of children in federal facilities peace of mind.

I should point out, Mr. President, that many of the child centers run by the federal government provide an invaluable service and excellent care to the children of federal workers and other families in the community. Many federal centers have even received accreditation from the National Association for the Education of Young Children—an outstanding private, non-profit accrediting entity.

But this excellence is not uniform. In some federal agencies, only a minority of child care centers are accredited. Too many centers are falling through the cracks. And too many children are unnecessarily being placed at risk.

Mr. President, at a time when we are asking our states and communities to take notice of the important research about brain development in young children—at a time when we all acknowledge how critical high quality child care is to helping children achieve their potential—shouldn't we, as federal government lead the way when it comes to providing the best care possible for our children?

Mr. President, this legislation enjoys broad bipartisan support. It was incorporated into the CIDCARE bill that I co-sponsored with Senator JEFFORDS and was a part of the Child Care ACCESS Act that I offered with 27 of my Democratic colleagues earlier this year.

This is an important step in improving the quality of our Nation's child care. I urge my colleagues to support this amendment.

Mr. CAMPBELL. Mr. President, this amendment relates to Federal child care facilities. This amendment has been cleared by both sides of the aisle. I ask for its adoption.

Mr. KOHL. We accept the amendment.

The PRESIDING OFFICER. Is there objection?

Without objection, the amendment is agreed to.

The amendment (No. 3364) was agreed to.

Mr. CAMPBELL. Mr. President, I yield the floor.

Mr. SESSIONS addressed the Chair.

The PRESIDING OFFICER. The distinguished Senator from Alabama is recognized.

AMENDMENT NO. 3362

Mr. SESSIONS. Mr. President, I would like to make a few remarks on the family impact statement amendment offered by Senator SPENCER ABRAHAM earlier today. It is an amendment that I supported last year. I think it is a very, very important signal and an important event for this Government.

I rise today in strong support of this important amendment and to voice my complete disagreement with antifamily action taken by President Clinton.

In 1997, President Ronald Reagan, recognizing the importance of the American family and the need to be aware of the negative impact that Federal laws and regulations can have on the family, signed Executive Order 12–606. The purpose was to ensure that the rights of the family are considered in the construction and carrying out of policies by executive departments and agencies of this Government.

Mr. President, even though we are faced with a staggering increase in out-of-wedlock births, rising rates of divorce, and increases in the number of child abuse cases, apparently President Clinton does not believe that considering the impact of regulations on families is good policy.

Much to my dismay, on April 21, 1997, President Clinton signed Executive Order 13045, thus stripping from the American family any existing protection from harm in the formulation and application of Federal policies.

President Reagan's Executive Order 12606, placed special emphasis on the relationship between the family and the Federal Government. President Reagan directed every Federal agency to asses all regulatory and statutory provisions ''that may have significant potential negative impact on the family well-being. * * *'' Before implementing any Federal policy, agency directors had to make certain that the programs they managed and the regulations they issued met certain family-friendly criteria. Specifically, they had to ask:

Does this action strengthen or erode the authority and rights of parents in educating, nurturing, and supervising their children?

Does it strengthen or erode the stability of the family, particularly the marital commitment?

Does it help the family perform its function, or does it substitute government activity for that function?

Does it increase or decrease family earnings, and do the proposed benefits justify the impact on the family budget?

Can the activity be carried out by a lower level of government or by the family itself?

What message, intended or otherwise, does this program send concerning the status of the family?

What message does it send to young people concerning the relationship between their behavior, their personal responsibility, and the norms of our society?

The elimination of President Reagan's Executive Order 12606 is just the latest in a series of decisions that indicates the Clinton administration's very different approach to family issues. From the outset of President Clinton's first term, it became clear that his administration intended to pursue policies sharply at odds with traditional American moral principles. White House actions have ranged from the incorporation of homosexuals into the military to the protection of partial-birth abortion procedures, to opposing parental consent in cases involving abortion for minors.

Mr. President, many have suggested it is community villages, in other words government, that raise children. But really it's families that raise children. Families are the ones who are there night and day to love, to care for, and to nurture children.

Many bureaucratic regulations produce little benefit, but can have unintended consequences. The examples are too numerous to mention.

What our amendment will do is to require the ''regulators'' to stop and take a moment to think through their regulations to make sure that, the most fundamental institution in civilization—the family, is not damaged by their actions. This is a reasonable and wise policy.

Mr. President, I find it very odd that of all the Executive orders that exist, President Clinton would reach down and lift this one up for elimination. This body should speak out forcefully on this subject and I am confident we will. The families of America deserve no less.

This amendment is a sound and reasonable piece of legislation which will restore a valuable pro-family policy that had been established for 10 years.

I urge all my colleagues to stand united, Republicans and Democrats, to show that the preservation of the family is not a partisan issue. Our voices united will send a loud and certain message to the President and this Nation that we consider family protection to be one of America's most important issues and we will not accept decisions that mark a retreat from our steadfast commitment to our Nation's families.

Mr. President, I strongly believe that American families must be considered when the Federal Government develops and implements policies and regulations that affect families. Therefore, I am honored to be an original cosponsor for this amendment, which will reinstate the Executive order of President Reagan.

I would like to thank my colleagues, Senators ABRAHAM, FAIRCLOTH, HUTCHINSON, for their dedicated work and help on this issue.

As we know, there is some dispute and controversy and concern in this body concerning the President's proclivity to utilize executive regulations to carry out various policies that he wants to carry out. He eliminated this regulation of President Reagan by his own Executive Order, and in fact has stated and reflected his view that the American family is not at times jeopardized by the actions of this Government, and special watch and attention is not necessary to that.

I just want to say this. Governmental policy in this country ought to consider what is good, wholesome, and healthy. The American family represents the finest opportunity to affect the growth, health, well-being, the mental attitude, and the lawfulness of a young person. Healthy families tend to raise healthy children. It is not always so. It is not always so. Families that have trouble raise good kids a lot of time, and families that are personally good have troubled children.

But fundamentally and historically we know, and there has been much data in recent months and years—you remember the article, ''Dan Quayle Was Right.'' So we know that there is a general consensus today that a healthy family is important.

I think it was a bad signal. I think it is sad that in this entire monumental bureaucracy of this Federal Government that involves $1.7 trillion in expenditures every year, you don't have to give special concern to your actions with regard to how they might impact the American family.

I think in that regard the President made a serious error, and he sent a signal to this great Government and those who work for him within the executive branch that they don't have to give special scrutiny to it. I believe it was a mistake. Senator ABRAHAM's amendment would restore that.

I thank Senator CAMPBELL for his interest and concern on these issues and for giving me a few moments to make these remarks.

Thank you, Mr. President. I yield the floor.

Mr. DASCHLE addressed the Chair.

The PRESIDING OFFICER. The distinguished Democratic leader is recognized.

AMENDMENT NO. 3365

(Purpose: To provide for marriage tax penalty relief)

Mr. DASCHLE. Mr. President, I ask unanimous consent that we lay aside the Abraham amendment, and I send an amendment to the desk.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will report.

The legislative clerk read as follows:

The Senator from South Dakota [Mr. DASCHLE] proposes an amendment numbered 3365.

Mr. DASCHLE. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered. (The text of the amendment is printed in today's RECORD under ''Amendments Submitted.'')

The PRESIDING OFFICER. The distinguished Senator from South Dakota, Mr. DASCHLE, is recognized.

Mr. DASCHLE. Mr. President, I thank the Presiding Officer.

Mr. President, as I noted this morning, Democrats have supported and continue to support tax relief for working families. In 1993, we supported tax cuts for millions of working families making less than $30,000 per year through an expansion of the earned income tax credit. Last year, we supported major tax relief proposals, including a $500-per-child tax credit, a $1,500 HOPE education tax credit, a 20-percent lifetime learning credit, the reinstatement of student loan deductions, full deductibility of health insurance premiums for the self-employed, a cut in capital gains taxes for investors and small businesses, and an expansion of estate tax relief for family farms and businesses. All of these tax cuts for working families had one thing in common. They were consistent with a balanced budget; they were fully paid for.

Democrats continue to have an ambitious agenda of tax relief for working families. But we also continue to insist that tax cuts be consistent with fiscal responsibility. This is because we understand that fiscal responsibility equals economic growth, and economic growth equals more jobs and higher wages.

Part of our continuing agenda to provide working families with tax cuts is to provide them with substantial relief from the marriage penalty. In many families, married couples pay more in income taxes than if they had remained single. Democrats would like to remedy this undesirable aspect of our tax system.

The amendment that I have just offered would let families deduct 20 percent of the income of the lesser-earning spouse. This deduction would be phased out for families making between $50,000 and $60,000 a year. The 20-percent deduction would be an ''above-the-line'' deduction, ensuring that that everyone could claim it, regardless of whether they chose the ''EZ'' form or itemized their deductions on a more complicated tax form. Also, the deduction would be factored into the earned income tax credit calculation; that is, it would help people making less than $30,000 who may have no income tax liability against which to take the deduction.

But, Mr. President, perhaps most important, contrary to the amendment offered this morning, this amendment is fully offset. The offsets include a number of proposals from the President's budget that have attracted broad support. Most of them would terminate unwarranted tax loopholes for corporations and investors. Because the amendment is fully offset, it is in keeping with the tradition and the practice that we have maintained all through the tax debate this year and previous years.

To summarize, unlike the Brownback-Ashcroft amendment offered this morning, the Democratic amendment, first, focuses roughly 90 percent of its tax cut on families who are actually penalized., compared with about 40 percent to 45 percent for the Brownback amendment offered this morning.

Second, it is fully offset. Its gross cost is $7 billion over 5 years and $21 billion over 10; but its net effect on the budget is zero. By contrast, the Brownback-Ashcroft amendment would have drained the Treasury and the Social Security trust fund by about $125 billion over 5 years and $300 billion over 10 years.

Therefore, if Senators are interested in delivering meaningful marriage penalty tax relief rather than simply grandstanding about it, they will want to support our amendment. Here are two examples of just how much tax relief our amendment would provide:

First, a couple making $35,000, split $20,000 and $15,000 between two spouses. With our 20-percent, second-earner deduction, this couple would receive an additional deduction of $3,000, or 20 percent of the $15,000 income of the second earner. That translates into an annual family tax cut of about $450.

Second, a couple making $50,000, in this case split $25,000 each between the two spouses. Under our 20-percent, second-earner deduction, the couple would receive an extra $5,000 deduction, or about $1,400 in actual cash-in-the-pocket tax relief.

Mr. President, my amendment provides Senators with an opportunity to help hard-working married couples without busting the budget or endangering our efforts next year to restore the Social Security system to solvency for future generations.

Mr. President, I yield the floor.

Mr. KOHL. Mr. President. I want to take a moment to explain my support for the Daschle amendment on marriage tax relief. As you know, earlier today I opposed the Ashcroft-Brownback amendment on the same subject. My concerns related to the wisdom of attaching such a substantial tax policy change to an appropriations bill. Also, the Brownback amendment was not offset—it would have thrown the budget off balance by approximately $125 billion. The marriage tax debate belongs within the context of a balanced budget and a comprehensive tax bill. And let me again state my hope that we will approve such a tax bill later this year.

However, it's clear that today's debate is primarily about political messages and maneuvering. And, in that case, the record should demonstrate that my voice and vote definitely stands with those calling for the elimination of the marriage penalty. Our tax code should be family friendly. Couples who want to get married should not be discouraged from doing so based on how much they will owe in taxes. And tax policy changes should be fully offset and respect the principles of a balanced budget. For these reasons, I intend to support the Daschle marriage penalty amendment.

Mr. CAMPBELL addressed the Chair.

The PRESIDING OFFICER. The distinguished Senator from Colorado is recognized.

Mr. CAMPBELL. Mr. President, we spent almost 2 hours on the Ashcroft amendment. I assume that much of the debate that we have already gone through will be repeated.

I don't think there is anyone on this floor who doesn't want to do something about the marriage penalty. We are all very comfortable with the fact that it is punitive, and I think all of us want to get rid of it, if we can. The question really has been, What is the vehicle to be able to do that?

I ask the minority leader, since we have spent so much time on this already in the previous debate, if he would be interested in trying to work out some kind of a time agreement, because we have about 56 amendments that we haven't cleared yet. It looks like it is going to be a long night, and a long day tomorrow, if we don't get some withdrawn, or some agreement on some of them.

I ask the minority leader if he would be interested in a time agreement.

Mr. DASCHLE. Mr. President, I think the distinguished Senator from Colorado makes a very good point, and our desire is certainly not to complicate his efforts and the efforts of the distinguished ranking member to complete action on this bill. I know there are some Senators who wish to be heard on this particular version of the amendment, but I do believe that we can accommodate those Senators. I would be willing to enter into a time agreement of 30 minutes, if we could assume that there isn't going to be a great deal of debate on the other side. I am not sure we have to equally divide it. I propose we ask unanimous consent the vote on this amendment occur no later than 3 o'clock.

Mr. CAMPBELL. Mr. President, I concur with that, but we have not checked with the majority leader yet. So if I could perhaps ask for a quorum call until we confer with him? I appreciate the Senator's offer to limit that time to 30 minutes equally divided.

Mr. DASCHLE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. CAMPBELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CAMPBELL. Mr. President, Senator DEWINE has been patiently waiting for a while to make a statement

and possibly offer an amendment. I ask unanimous consent at the conclusion of his comments, I be allowed to suggest the absence of a quorum at that time.

The PRESIDING OFFICER. Is there objection? The Senator from Ohio is recognized.

Mr. HATCH. Mr. President, will the Senator from Ohio yield?

Mr. DEWINE. I certainly would.

Mr. HATCH. If the Senator will yield to allow me this opportunity to call up the reauthorization of the Office of National Drug Control Policy? I ask unanimous consent I be allowed to do so.

Let me withhold.

Mr. DEWINE. I will be more than happy to yield the floor for the Senator from Utah.

The PRESIDING OFFICER. The Senator from Ohio is recognized and retains the floor.

Mr. DEWINE. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

Mr. HATCH. Will the Senator yield again?

Mr. DEWINE. I will be happy to yield to the Senator from Utah.

Mr. HATCH. Will the Senator withhold on the amendment? As I understand, we can do it at this time and it will only take a minute.

I ask unanimous consent the pending Daschle amendment be set aside with the understanding we will immediately come back to it after my amendment.

The PRESIDING OFFICER. Is there objection? Hearing none, it is so ordered.

AMENDMENT NO. 3367

(Purpose: To extend the authorization for the Office of National Drug Control Policy until September 30, 2002, and to expand the responsibilities and powers of the Director of National Drug Control Policy, and for other purposes)

Mr. HATCH. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Utah [Mr. HATCH], for himself and Mr. BIDEN, proposes an amendment numbered 3367.

Mr. HATCH. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The text of the amendment is printed in today's RECORD under ''Amendments Submitted.'')

Mr. HATCH. Mr. President, this is the reauthorization of the office of the drug czar, National Drug Control Policy. I do believe it has been accepted by both sides. It is critical that we have this amendment agreed to at this time.

The PRESIDING OFFICER. Without objection—the Chair will observe the Chair is having difficulty hearing the Senator. Perhaps, if the Senator could speak up, it would be very helpful.

Mr. HATCH. This is an amendment to reauthorize the Office of the National Drug Control Policy.

In this era of passivity and neglect toward what I believe should remain a vigorous war on drugs, we as Americans must refuse to give up the fight against a youth drug plague that is threatening to erode the very core of our society. To do this, we must mount an unflappable effort against this drug scourge that continues to tighten its grip on our nation's children.

Faced with such an ominous task, it is essential that the Office of National Drug Control Policy be maintained as the principal clearing house for the formulation and implementation of our nation's comprehensive counter-drug strategy. As a nation we simply cannot continue to turn our backs while drug abuse continues to run rampant among our youth.

For this reason I implore each of my colleagues to support the Hatch/Biden amendment, a substitute to H.R. 2610. This amendment truly represents a bipartisan effort to craft legislation that gives the office a meaningful reauthorization period and strengthens ONDCP's authority over drug control program agencies. In an effort to erase this Administration's abdication of its responsibilities to the Congress, the bill requires enhanced reporting requirements on the effectiveness of the National Drug Control strategy thus imposing far greater accountability to the Congress. It also disposes with an annual strategy that, under the Clinton administration, simply has served as an opportunity to grandstand in an effort to show that the President was going to take the drug war seriously in the future to make up for his past disinterest. Instead, the bill recognizes the comprehensive long term strategy drafted last year, and further requires an annual report that requires each administration to report on the success or failures of its strategy in the previous year.

This substitute differs principally from the House bill in that it calls for a 4-year versus a 2-year reauthorization period; and, in that it does not statutorily mandate ''hard targets'' that must be achieved by 2001. Rather, consistent with ONDCP's previous authorization, it requires that ONDCP establish annual measurable objectives and long term goals. In addition, the legislation also officially authorizes ONDCP's Performance Measurement System which will provide the Congress and the American people with the specific data needed to ascertain whether the strategy is working and where changes are necessary.

The legislation also provides flexibility in the event of a change in Presidents or ONDCP Directors. In such case, the incoming President or Director has the option of either adopting and continuing with the current strategy, or abandoning it in favor of an entirely new strategy. In addition, at any time upon a finding by the President that the current strategy, or certain policies therein, are found not to be sufficiently effective, the President may submit a revised strategy.

We have worked with ONDCP, the Armed Services Committee, and Senator BIDEN to resolve a significant disagreement concerning ONDCP's involvement in, and authority over, the development of budgets of other agencies. We have crafted a process which allows ONDCP to have input at all stages of the budget drafting process and to decertify budgets which are inadequate to fulfill the responsibilities given to that agency. It also allows agencies who are forced to alter their budgets at the direction of ONDCP to submit an ''impact statement'' describing how such changes might affect the ability of that agency to fulfill its other responsibilities.

I oppose a proposal by the administration to disband the office of ''Supply Reduction'' headed by a deputy director, which was established to coordinate all law enforcement and interdiction programs, both domestic and international. As recognized by the legislation recently introduced by Senator DEWINE, which I cosponsored, supply reduction is an integral part of our anti-drug efforts, and we need a deputy director specifically responsible for these efforts. We have, however, incorporated significant reorganizations of the leadership of ONDCP, including the new position of Deputy Director and a Deputy Director for State and Local Affairs.

We have also strengthened the ONDCP office in many respects, including: (1) Clarifying the Director's authority by adding to his responsibilities that he shall represent the administration before the Congress on all issues relating to the National Drug Control Program, and that he shall serve as the administration's primary spokesperson on drug issues; (2) Requiring the U.S. Department of Agriculture to give ONDCP an annual assessment of the acreage of illegal domestic drug cultivation; and (3) In order to strengthen ONDCP's ability to obtain information from its program agencies, adding provisions that require, upon the request of the Director, heads of departments and agencies under the National Drug Control Program to provide ONDCP with statistics, studies, reports, and other information pertaining to Federal drug abuse programs.

I might also point out that the definition of ''drug control'' has been modified in the reauthorization to include underage use of alcohol and tobacco. This change codifies ONDCP policy begun under Republican administrations.

While I recognize that there remain some concerns over reauthorizing this office in light of the Clinton administration's abysmal record on drugs, it is my belief that we must employ every possible weapon that is available to fight the drug war, including the authorization of a national drug office with teeth, which will be held accountable to take real action in combating illegal drug abuse. This bill achieves

that goal. For this reason, I urge each of my colleagues to support this amendment, and to work in a bipartisan manner to address legitimate concerns as we go to conference.

Let me highlight why this issue is so pressing. Drug use by teenagers is one of the most serious domestic problems facing our nation today: In my mind, it may be the most crucial issue for our nation's ability to craft productive and law-abiding citizens. The worsening problem of drug abuse among our children and teens wreaks havoc on the lives and potential of thousands of young people each year. If we do not act decisively, we will pay a heavy price.

According to the highly respected Monitoring the Future study published by the University of Michigan, drug use among young people began a steady decline in the early 1980's which continued until 1992. Survey after survey demonstrated that we were on the right track in raising children free from drug abuse.

These declines, which I believe were largely the result of the strong leadership of Presidents Reagan and Bush, are not just statistics. The 1980's and early 1990's produced a generation of young adults with low rates of substance abuse. We reap the benefits of that fact every day as those young men and women succeed in the workforce and build their families and communities. We see the benefits of our work in the 1980's and early 1990's in the lower drug abuse rates and declining crime rates we find among adults today.

But just as we are realizing some benefit today from the hard work of the last decade, we will pay the price for the failures of the 1990's. Young people are being raised in an environment lacking in definition of moral leadership. As I saw these trends developing, I spoke out and demanded that this administration reverse course: I particularly recall, in 1993, President Clinton's first drug czar—Lee Brown—saying that drug control was no longer ''at the top of the agenda'' for the administration. Indeed, the administration's first drug control strategy in 1993 noted that there was developing ''a loss of public focus which has also allowed the voices of those who would promote legalization to ring more loudly.'' Mr. Brown's concerns regarding legalization, as we all know, were realized in some States. I feared then that the blame for this loss of public focus on the drug war would be laid at the feet of the Clinton administration. The Committee's warnings were frank, continuous, and bipartisan. In recent years, under the leadership of General Barry McCaffrey, we have seen some efforts to make up for the years of neglect. Yet, notwithstanding his efforts I believe drug control—and ONDCP—lack the full backing of President Clinton and the results are indisputable.

The steady downward trends of the 1980's and early 1990's were tragically reversed. Remember that each percentage point we discuss represents thousands of teens who are much more likely to become bigger problems for society as they become adults.

As measured by use in the past month, drug abuse by high school seniors jumped 27 percent in 1993, 20 percent in 1994, and an additional 9 percent in 1995. Past-monthly abuse by 10th graders skyrocketed by 27 percent in 1993. The 1996 National Household Survey on Drug Abuse published by Health and Human Services, published last year, shows that between 1992 and 1996 the number of 12- to 17-year-olds having used marijuana in the past year more than doubled—from 1.4 million to 2.9 million.

The annual use of any illicit drug among high school students has dramatically increased since 1991—from 11 percent to 24 percent in 1996 for 8th graders, from 21 percent to 38 percent for 10th graders, and from 29 percent to 40 percent for 12th graders.

Lifetime use statistics show a similar trend—from 19 percent in 1991 up to 31 percent in 1996 for 8th graders, from 31 percent up to 45 percent for 10th graders, and from 44 percent to 51 percent for 12th graders.

As for marijuana use for 8th graders, it is clear that marijuana use shot from 10 percent in 1991 to 23 percent in 1997.

Although marijuana is still the most readily available drug across the United States, teenagers can obtain just about any drug they desire with little problem. Today, illegal drugs are more easily obtained than alcohol or tobacco.

To those who suggested that marijuana does not serve as a gateway to even more harmful drug use, there are very few instances that I am aware of where the first drug a child ever tried was heroin or methamphetamine. Most teens tell you that they first experimented with marijuana. Studies show that if kids smoke marijuana, they have an 85 times greater propensity to move on to experiment with harder drugs. General Barry McCaffrey should be commended for his personal leadership in fighting the trends towards tolerance for marijuana use.

While marijuana use increasing, the use of other drugs—harder drugs—is growing at a dramatic rate. The use of methamphetamine has skyrocketed in the Western half of the country. Easy manufacturing and the increasing market have helped make methamphetamine cheaper and more available to kids.

What is the reason behind this surge in teen drug consumption? I believe several things. First, in recent years there has been a decline in anti-drug messages from elected leaders—like President Clinton—and similar messages in homes, schools, and the media, Second, the debate over the legalization of marijuana and the glorification of drugs in popular culture has caused confusion in our young people. Third, disapproval of drugs and perception of risk has declined among young people. The percent of 8th, 10th, and 12th graders who ''disapproved'' or ''strongly disapproved'' of use of various drugs declined steadily from 1991 to 1995. In 1992, 92 percent of 8th graders, 90 percent of 10th graders, and 89 percent of 12th graders disapproved of people who smoked marijuana regularly. By 1996, however, those figures had dropped significantly.

Previous administrations recognized that education and treatment programs were only effective if coupled with tough criminal deterrence and effective interdiction. Statistics clearly show that as the interdiction dollars go down, drugs use goes up.

I was recently pleased to hold a hearing on teen drug use. We heard from a teenager named Rachel who recounted her personal experience with drug addiction. We also heard testimony from two physicians, Dr. Nancy Auer and Dr. Sushma Jani who have seen in our emergency rooms and hospitals the devastating effects that drug abuse has had on our nation's youth. Lastly, we heard from Chris, an individual who works as an undercover officer in high schools in Ohio—to protect his continued ability to provide this valuable service, his identity was shielded during the hearing.

In conclusion, I think it is clear that the rates of youth drug abuse are neither stable nor acceptable, but are instead rising sharply. I was therefore very surprised to hear President Clinton claim on the world stage in his recent speech before the United Nations that ''drug use by our young people is stabilizing, and in some categories, declining.'' I believe that we are in the middle of a crisis and that the time for action long since passed.

Passage of this legislation will be a crucial part of that action.

As I understand it, this is acceptable to both managers of the bill. So I urge its adoption.

Mr. BIDEN. Mr. President, I am pleased to offer this amendment with Senator HATCH to reauthorize the Drug Director's Office. Senator HATCH and I have been assisted by several other Senators in this effort, and I would just note that the reauthorization bill reported by the Judiciary Committee last year was cosponsored by Senators THURMOND, DEWINE, COVERDELL, and FEINSTEIN.

I would also note that since then, we have worked closely with Senator MCCAIN to meet some concerns that he had raised relating to the Drug Director's budget certification powers. And, the language we have negotiated with Senator MCCAIN is incorporated into the text offered in this amendment.

This bipartisan legislation will, I hope, result in speedy action to keep the Drug Director's Office in place—no matter what perspective any of us have on any specific drug policy, this legislation is about whether we will have a

Drug Director and Drug Office to be responsible for—and accountable to—a national drug policy.

In 1987, before my legislation creating the Drug Office finally became law, There was no official in charge of the administration's drug effort; and, because there was no Cabinet official in charge, every Cabinet official could duck responsibility to talk about tough drug policy issues—and, guess what, that meant no administration talked about drugs and no administration was accountable on drugs.

Just as with my original drug czar legislation, the Hatch-Biden amendment retains its central goal—holding every administration and every President accountable on the drug issue.

The Hatch-Biden amendment does so in several ways:

First, and this was one of Chairman HATCH's top priorities, Hatch-Biden requires the Clinton administration to identify measurable objectives for the National Drug Strategy, and provide on February 1, 1999, specific answers about whether these objectives have been met;

Second, Hatch-Biden retains the current law about the administration submitting a detailed annual drug budget—every line of which is reviewed and changed in the annual congressional appropriations process.

To this, Hatch-Biden adds a requirement—called for by General McCaffrey—for budget projections covering the next 4 years. In other words, this prevents any ''pie-in-the-sky'' promises, which are not backed up by specific budget projections.

Third, and this is the major change proposed by General McCaffrey and included in Hatch-Biden, instead of the overall drug strategy, it requires a detailed annual report which will focus the administration and the Congress on the ''nuts and bolts'' of implementing the strategy.

As Senator HATCH points out—instead of a strategy in which an administration tells us what it is going to do about drugs; this report will force any administration to tell us what they have accomplished against drugs.

Hatch-Biden includes specific language requiring:

That the annual report include any necessary modifications of the drug strategy;

A whole new strategy if the current strategy proves ineffective;

An annual assessment of the progress on the specific, measurable goals identified in the drug strategy;

Goals that are required by law to address—current drug use; availability of cocaine, heroin, methamphetamine, marijuana; drug prices, and purity among many others; and

That any new President or new Drug Director submit a new drug strategy.

Finally, the key addition of the annual report included in Hatch-Biden is the ''performance measurement system''—which would add nearly 100 detailed measures, each with a definite timetable.

These measures are all about holding the 50 drug agencies and offices accountable to the drug policy goals of the administration—the one task that all Drug Directors have found exceedingly difficult to actually implement.

Just to identify a few of these specific measures:

Increase asset seized from drug traffickers by 15 percent; increase drug trafficking organizations dismantled by 20 percent in high intensity drug trafficking areas; and reduce worldwide coca cultivation by at least 40 percent.

Of course, we would all like each of these measures to be achieved immediately—but, even if we could do this efficiently, the costs would be staggering—an additional $60–$90 billion over just the next 3 years. So, achieving these goals will take time.

One final point on the general's performance measurement system—if we are to give him a fighting chance to increase the accountability of all the drug agencies, we have to put this system in law. For, if we do not, mark my words, the general will be defeated by all the career officials in all the drug agencies who want to stop this increased accountability.

Another element of General McCaffrey's proposal which has been included in Hatch-Biden is to require that the No. 2 official in the office—the Deputy Director—have to come before the Senator for confirmation just like the demand deputy, supply deputy and State and local deputy.

I favor this because the hearing, committee, and floor votes on the Deputy Director would give the Senate another important opportunity to hold any administration accountable on drugs.

In addition, the key mission of the Drug Office—holding the nearly 50 agencies and offices with drug policy responsibilities accountable—requires having officials with the credentials of Senate confirmation.

The Hatch-Biden amendment also includes specific language calling for ''scientific, educational, or professional'' credentials for whomever is nominated for the demand deputy job.

This is an issue that Senators GRASSLEY and MOYNIHAN have really been the leaders on—and I just acknowledge their key role in this aspect of Hatch-Biden.

I also note that, at the chairman's insistence, the length of time of this reauthorization has been drastically shortened.

While the general initially proposed to authorize the office for 12 years, Hatch-Biden reauthorizes for 4 years through September 30, 2002.

In closing, I would point out that this legislation has been through a long process here in the Senate and that this process has resulted in a strong, bipartisan bill.

I understand that the two managers of the bill, Senators CAMPBELL AND KOHL, are willing to accept this amendment. I appreciate their support, and the support of the full Senate for the reauthorization of the Drug Director.

The PRESIDING OFFICER. The Senator from Colorado.

Mr. CAMPBELL. Mr. President, I might add this amendment is acceptable to both sides. It is a very, very important program. It is basically the drug czar's program. We know we have spent an awful lot of money on this program in the last few years, but clearly it is having an effect on reducing teenage drug use in particular. I just wanted to add my comments to those of the Senator from Utah that this is a good amendment.

I urge the adoption of the amendment.

The PRESIDING OFFICER. Is there objection? Hearing none, the amendment is agreed to.

The amendment (No. 3367) was agreed to.

Mr. HATCH. Mr. President, I move to reconsider the vote and move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DEWINE addressed the Chair.

The PRESIDING OFFICER. The Senator from Ohio is recognized.

AMENDMENT NO. 3354

(Purpose: To prohibit the use of funds to pay for an abortion or to pay for the administrative expenses in connection with certain health plans that provide coverage for abortions)

Mr. DEWINE. Mr. President, I believe my amendment is already at the desk. I call up my amendment in regard to Federal employees.

The PRESIDING OFFICER. Without objection, the amendment of the Senator from South Dakota is set aside, and the clerk will report the amendment of the Senator from Ohio.

The legislative clerk read as follows:

The Senator from Ohio [Mr. DEWINE], for himself, Mr. ABRAHAM, Mr. SESSIONS, Mr. BROWNBACK and Mr. SANTORUM, proposes an amendment numbered 3354.

Mr. DEWINE. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of title VI, add the following:

SEC. . No funds appropriated by this Act shall be available to pay for an abortion, or the administrative expenses in connection with any health plan under the Federal employees health benefit program which provides any benefits or coverage for abortions.

SEC. . The provision of section _____ shall not apply where the life of the mother would be endangered if the fetus were carried to term, or the pregnancy is the result of an act of rape or incest.

Mr. DEWINE. Mr. President, I rise this afternoon to offer an amendment on behalf of myself, Senator ABRAHAM, Senator SESSIONS, Senator BROWNBACK, and Senator SANTORUM.

This is an amendment that would maintain in force—and let me emphasize that—would maintain in force the current law, the status quo. This amendment would remain and keep in force the current Federal law restricting Federal employee health insurance

coverage for abortions except in cases of rape, incest, or to save the life of a mother.

This is the same amendment that was accepted by voice vote during the debate for fiscal year 1998, the Treasury-Postal appropriations. This is the same amendment that was accepted by this body during the debate for fiscal year 1996. And, in fact, this is the same language that has been consistently supported by a bipartisan group of Senators and Representatives from 1983 to 1998, with the exception of only 2 years. So from 1983 to 1998, that has been the law of the land with the exception of only 2 years.

Mr. President, I mention this to you and to my colleagues to make it clear that this amendment stakes out no new ground. It merely confirms what the status quo is today, what this body and what the other body have consistently voted in favor of.

The principle that we are dealing with today is a very simple one, one that goes beyond the conventional pro-life, pro-choice boundaries. I think everyone in this Chamber knows that I am pro-life and, therefore, wish to promote the value of protecting innocent human life.

I point out that the vast majority of Americans on both sides of the abortion issue—on both sides of the abortion issue—strongly agree that they should not pay for someone else's abortion, and that is what we are talking about today. Fairly stated, this amendment is not about abortion, it is not about the morality of abortion, or the right of women to choose abortions. This is a narrowly focused amendment that answers a key question: Should taxpayers pay for these abortions?

Mr. President, Congress has consistently agreed that we should not ask the taxpayers to promote a policy, in essence, of paying for abortion on demand for a Federal employee.

Again, this amendment would maintain the status quo. It limits Federal employee health plans to cover abortions only in the case of rape, incest, or threats to the life of the mother.

The vast majority of Americans oppose subsidizing abortions. That is clear. Employers, as a general principle, determine the health benefits their employees receive. Taxpayers are the employers of our Federal workforce, and a large majority of taxpayers simply do not want their tax dollars to pay for these abortions. Taxpayers provide a substantial majority share of the funds to purchase health insurance for the Federal civilian workforce. Over three-quarters of that premium on an average is paid for by taxpayers.

This amendment addresses the same core issue. It simply says that the Federal Government is not in the business of funding abortions. Abortion is a contentious issue, and we simply should not ask taxpayers to pay for them.

Mr. President, this issue has been debated time and time and time again on this floor. I will say the identical language has been debated time and time and time again.

Everyone in this Chamber has voted on this issue. Current law limits abortion availability in Federal employee health care plans to cases, again, of rape, incest, and to save the life of the mother. That is set in law. This has been the bipartisan position of the Senate and the bipartisan position of the House, and it has been approved by the President last year and the year before. We should not voluntarily take the money of many Americans who find abortion wrong to pay for those abortions. We should not go against the will of the people of this country. We should uphold the current law, and that is what this amendment would simply do.

Mr. President, I yield the floor.

Mr. SESSIONS. Mr. President, I thank my good friend from Ohio, Senator DEWINE, for offering this important amendment.

This amendment will maintain in force the current law restricting Federal funding for abortions to cases of rape, incest, or life of the mother.

This amendment would leave in place the restriction on Federal Employee Health Benefit Plans which prevents those plans from paying for abortions except in the case of rape or incest, and when the life of the mother is in danger.

The principle here is simple: Should the taxpayers, regardless of whether they are pro-life or not, be forced to pay for abortions?

Make no mistake about it, abortions provided under the Federal Employee Health Benefits Program would be subsidized by the taxpayers. Although employees are charged for the health plan they elect, a significant portion of the cost of those plans is offset by the Government using taxpayer dollars.

Therefore, by participating in a health plan, employees who oppose abortion are effectively subsidizing abortions when they pay their health insurance premiums. If the major health plans all fall in line and start paying for abortions, employees who are morally opposed to abortion are put in a very difficult position.

There are millions of Americans, myself included, who feel very strongly that abortion is the taking of an innocent human life. It is unconscionable to ask taxpayers to subsidize elective abortions.

Whatever your position on abortion is, this is one point we should all be able to agree on.

Congress has consistently agreed that we should not ask taxpayers to promote a policy, in essence, of paying for abortion on demand by a Federal employee.

This is the same amendment that was accepted by voice vote during the debate for fiscal year 1998 Treasury-Postal Appropriations; accepted by this body during the debate for fiscal year 1996; and in fact, this is the same language that has been supported by a bipartisan group of Senators and Representatives from 1983 to 1998.

Madam President, I will just say this. People in this country can disagree about the sensitive issue of abortion. The laws are as they are. Some people like them, some people don't like them. But with regard to the question of whether or not taxpayers ought to be required to fund abortions, this country and the law and the vote of almost every State and this Congress has been not to fund that, and not to take taxpayers' money from individuals who feel very, very deeply and personally about this issue and expend that money to eliminate life. That is not a choice that we believe this Congress ought to make. We ought to prohibit it as part of this legislation. Maybe we won't even need a vote on it. But if we do, so be it. I think it will pass again this year, as it has.

Again, I appreciate the work of the Senator from Ohio for reestablishing this year this important principle.

Mrs. MURRAY. Mr. President, I rise in strong opposition to the DeWine amendment which would prohibit female federal employees from accessing affordable, safe and legal abortion related services as part of their health insurance benefits.

I am always tempted to say, ''here we go again.'' Another assault on women's health and another barrier for women to safe, affordable reproductive health services. For some of my colleagues, the 1973 landmark Roe versus Wade decision was not clear enough or they continue to attempt to restrict a women's right guarantee in this decision.

Instead of standing up and arguing that a woman should not have choices or that women should not be allowed to access safe, affordable reproductive health services, some of my colleagues hide behind the issue of federal funding.

Health benefits have been, and always will be for the benefit of the federal employee. It is a form of compensation. Every worker knows that health insurance is part of their compensation package, not a gift, not a loan, but something that they have earned. Health benefits are part of one's salary. This is no different for a federal employee or an employee of Boeing.

We would never see an amendment on the floor of the Senate dictating to federal employees how they spend their salary. As long as the employee spends this compensation on a legal commodity, we cannot restrict his or her decisions. Simply because they are employed by the American taxpayer does not mean that we can dictate how they spend their salary.

However, some of my colleagues are proposing to do just that. We are telling female federal employees how they can or cannot spend their health insurance benefits. In addition to denying federal employees the basic constitutional rights afforded every other

woman, we are proposing to dictate how they spend their compensation.

Not only are health benefits considered employee compensation earned by the employee, federal employees are also responsible for up to 40 percent of the cost of the premiums as well as any deductibles or copays. So in fact we are telling female federal employees how to spend their take home pay as well.

If a federal employee uses his or her own salary to purchase a firearm is this federal funding of handguns? I would argue no. Even though there are federal taxpayers who oppose handguns, we do not restrict the right of federal employees to use their federal salary to purchase one. But, telling female federal employees how they can spend their insurance benefits is just as offensive. Only in this case it is probably more detrimental as it denies female federal employees access to safe, affordable reproductive health service.

One could argue that female federal employees should pay out of pocket for certain reproductive health services and not depend on her health benefits to cover or provide this protection. I would like to point out that federal employees by and large are not well paid CEOs. They live pay check to pay check and many are single mothers. Covering a $600 or $1,000 health care bill is just not possible. Economic barriers are just as solid as legal or social barriers. Denying health insurance coverage for a full range of reproductive health services, is denying access to these services for many female federal employees.

I urge my colleagues to oppose efforts to make second class citizens of female federal employees. They deserve our support and they deserve to be treated with dignity and respect. Instead of attacking a woman's right to make her own personal health decisions let's work to prevent unintentional pregnancies. I urge my colleagues to support federal family planning programs and contraceptive equity. The Supreme Court has already said that abortion with some restrictions is a legal right afforded all Americans. Let's not force federal employees to pay the price of political football, but rather let's do more to improve access to safe, affordable family planning benefits.

Ms. MIKULSKI. Mr. President, I rise in strong opposition to the amendment offered by Senator DEWINE.

The bill reported by the Senate Appropriations Committee would enable federal employees, whose health insurance is provided under the Federal Employees Health Benefits Plan, to receive coverage for abortion services.

The DeWine amendment would prohibit coverage for abortion, except in cases of life endangerment, rape or incest. It would continue a ban which has prevented federal employees from receiving a health care service which is widely available for private sector employees.

I oppose this amendment for two reasons. First of all, it is an assault on the earned benefits of federal employees. Secondly, it is part of a continuing assault on women's reproductive rights and would endanger women's health.

We have seen vote after vote designed to roll back the clock on women's reproductive rights. Since 1995, there have been over 81 votes in the House and Senate on abortion-related issues. It's clear that this unprecedented assault on a woman's right to decide for herself whether or not to have a child is continuing, as this amendment demonstrates.

Well, I support the right to choose. And I support federal employees. And that is why I strenuously oppose this amendment.

Let me speak first about our federal employees. Some 280,000 federal employees live in the State of Maryland. I am proud to represent them. They are the people who make sure that the Social Security checks go out on time. They make sure that our nation's veterans receive their disability checks. At NIH, they are doing vital research on finding cures and better treatments for diseases like cancer, Parkinson's and Alzheimers. There is no American whose life is not touched in some way by the hard work of a federal employee. They deserve our thanks and our support.

Instead, federal employees have suffered one assault after another in recent years. They have faced tremendous employment insecurity, as government has downsized, and eliminated over 200,000 federal jobs. Their COLA's and their retirement benefits have been threatened. They have faced the indignity and economic hardship of three government shutdowns. Federal employees have been vilified as what is wrong with government, when they should be thanked and valued for the tremendous service they provide to our country and to all Americans.

I view this amendment as yet another assault on these faithful public servants. It goes directly after the earned benefits of federal employees. Health insurance is part of the compensation package to which all federal employees are entitled. The costs of insurance coverage are shared by the federal government and the employee.

I know that proponents of continuing the ban on abortion coverage for federal employees say that they are only trying to prevent taxpayer funding of abortion. But that is not what this debate is about.

If we were to extend the logic of the argument of those who favor the ban, we would prohibit federal employees from obtaining abortions using their own paychecks. After all, those funds also come from the taxpayers.

But no one is seriously suggesting that federal employees ought not to have the right to do whatever they want with their own paychecks. And we should not be placing unfair restrictions on the type of health insurance federal employees can purchase under the Federal Employee Health Benefit Plan.

About 1.2 million women of reproductive age depend on the FEHBP for their medical care. We know that access to reproductive health services is essential to women's health. We know that restrictions that make it more difficult for women to obtain early abortions increase the likelihood that women will put their health at risk by being forced to continue a high-risk pregnancy.

If we continue the ban on abortion services, and provide exemptions only in cases of life endangerment, rape or incest, the 1.2 million women of reproductive health age who depend on the FEHBP will not have access to abortion even when their health is seriously threatened. We will be replacing the informed judgement of medical care givers with that of politicians.

Decisions on abortion should be made by the woman in close consultation with her physician. These decisions should be made on the basis of medical judgement, not on the basis of political judgements. Only a woman and her physician can weigh her unique circumstances and make the decision that is right for that particular woman's life and health.

It is wrong for the Congress to try to issue a blanket prohibition on insuring a legal medical procedure with no allowance for the particular set of circumstances that an individual woman may face. I deeply believe that women's health will suffer if we do so.

I believe it is time to quit attacking federal employees and their benefits. I believe we need to quit treating federal employees as second class citizens. I believe federal employees should be able to receive the same quality and range of health care services as their private sector counterparts.

Because I believe in the right to choose and because I support federal employees, I urge my colleagues to join me in defeating the DeWine amendment.

Mrs. BOXER. Mr. President, I oppose the DeWine amendment, which will curb the rights of women who work for the federal government to obtain abortion services through their health insurance. I strongly urge my colleagues to vote against this amendment.

Over one million women of reproductive age rely on the Federal Employees Health Benefits Program for their medical coverage. This amendment will stop them from using their own insurance to exercise their right to choose an abortion. The exceptions in this ban are inadequate to protect the rights of women.

Women who are employed by the Federal Government work hard. They pay for their health premiums out of their own pockets. They deserve the same, full range of reproductive health benefits as women who work in the private sector.

The question is: Should female federal employees or their dependents be treated the same as other women in the work force, or should they be treated differently, singled out, with their rights taken away from them?

In 1993 and 1994, Congress voted to permit federal employees to choose a health care plan that covered abortion. Unfortunately, this Republican Congress over-turned that right.

This bill provides funding for the full range of health benefits through the Federal Employees Health Benefits Program. We should ensure that these benefits remain in the bill by opposing this amendment.

Anti-choice forces are chipping away at the right of women in this country to obtain safe, legal abortions. They are making a woman's ability to exercise that choice dependent on the amount of her paycheck and the employer who signs it. It's simply unjust.

If there were an amendment to stop a man who happens to work for the Federal Government from getting a perfectly legal medical procedure, one that might protect his health, there would be an uproar on this floor. People would say, how dare you do that to the men of this country? Why not treat the men who work for the Federal Government the same way we treat men who work in the private sector?

Decisions about health care—including reproductive health care—should be made by patients and their doctors—not by HMO bureaucrats or politicians. Decisions about abortion are tough, personal, and private. We need to trust women to make that choice.

Let's ensure that all federal employees have the rights, the protections, and the healthcare coverage they deserve. I urge my colleagues to vote ''no'' on this amendment.

Mr. KOHL. Mr. President, I rise in opposition to this amendment. I am truly sorry we have to address it every year.

The bill we passed out of the Senate Appropriations Committee treats federal employees just as private employees with health insurance coverage are treated: they are permitted to join a health care plan that covers a full range of reproductive health services, including abortion. The bill returns us to the policy that was in place before November of 1995. Currently, two-thirds of private fee-for-service health plans and 70% of HMOs provide abortion coverage.

Like so many of my colleagues, I support a woman's right to choose, and I support policies that will keep abortions legal, safe, and rare. I also support anyone's right not to participate in a health plan that covers abortion, and federal employees can choose such plans under the bill as we passed it out of Committee.

Adding this amendment, and continuing the unfair policy of the past few years, will impose real consequences, and real pain for government workers.

Mr. President, I ask unanimous consent to have printed in the RECORD two letters that tell what these consequences were for two families of federal workers.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

COMPOUNDING A TRAGEDY: CONGRESS GIVES MEDICAL ADVICE

SEPTEMBER 6, 1996.

DEAR SENATOR: I've been a federal employee for 13 years. My husband and I were elated this summer when I became pregnant. At age 36, I was in the ''advanced maternal age'' category, so my insurance company, Kaiser Permanete offered us genetic screening as routine pre-natal care. They didn't mention that Congress had erased the option to terminate a pregnancy, even on the advice of my physician.

I was scheduled for a sonogram at 14 weeks to make sure we'd correctly estimated how far along I was. My husband, my mother and my sister accompanied me to the ultrasound waiting room because seeing this baby was a big event.

I realized something was odd when both the sonogram technician and the radiologist spent so much time looking at my baby's head. The radiologist had detected abnormalities and recommended that only my husband be allowed in to see the sonogram. The radiologist termed it severe hydrocephalus—we saw an empty skull. A week later, the perinatologist at Fairfax Hospital's Antenatal Testing Center gave an even colder picture. She called it holoprosencephaly and said the fetal development was incompatible with life. All of the doctors I saw agreed there was no hope for the fetus, and recommended terminating as soon as possible.

We were devastated. To compound the tragedy came the news that as of January this year, companies insuring federal workers are prohibited from covering abortions. I have since learned that federal employees are the exception—coverage for medically necessary abortions is provided for others by my insurance company. In the end, we paid a very high fee to have the abortion because the fetal anomaly made the procedure more complicated.

My husband and I question whether Congress is implying we were immoral for aborting this fetus and hoping to get pregnancy with a healthy child. Our decision was no wanton or frivolous; it was heartbreaking. My abortion was the day before my 37th birthday, and each year I face a higher probability of having to terminate another pregnancy because of a genetic problem. Yet, we really want to raise a family and will keep trying.

Sincerely,

SUSAN ALEXANDER AND
CHRISTOPHER DURR,
Alexandria, VA.

SEPTEMBER 10, 1997.

DEAR REPRESENTATIVE: My name is Kim Mathis.I live in Talladega, Alabama with my husband who works at the Federal prison in town. We are both covered under my husband's health insurance plan for federal employees and their families.

In February of last year, we learned that I was pregnant. During a routine appointment my doctor performed a standard A.F.P. test. This is a test that they offer to check for neural tube defects and other problems. About a month later, my doctor told me that the test came back positive and he wanted me to go to a specialist for more tests.

I immediately scheduled an appointment with the specialist. During my exam, they performed an ultrasound and found that my A.F.P. test results were elevated because I was carrying twins.

My next appointment was in May. This time the doctor studies the ultrasound for almost and hour. After the doctor was finished, he wanted to talk with us privately. It was at that time that I knew that something was wrong. He told us that was an unusually rare pregnancy. He told me that my twins, which were boys, suffered from Twin-to-Twin Transfusion Syndrome. Both babies shared the same blood vessels. Because of this, the baby on top was giving his blood and water to the baby on the bottom. The smaller twin was about one month smaller in size than the larger twin. The doctor said the larger twin was growing too fast. He also told us that the smaller twin did not have kidneys and his heartbeat was very slow. At that time, he gave us a 20% chance of one of the twins surviving the pregnancy.

After consulting with the doctor, my husband and I decided that the best thing to do would be to end the pregnancy.It was the hardest decision of my life.

After we made our decision our doctor asked us what kind of insurance we had. My husband told him and the doctor informed us that he had never had a problem with their coverage. When we arrived home that evening, we looked in my husband's benefit plan book for 1996 which plainly stated that ''legal abortions'' were covered.

A few weeks after the termination we received the first letter from our insurance company. The letter stated that our claims were denied. After further inquiries we learned that they denied our claims because Public Law 104–52 was enacted on November 19, 1995 which limited federal employees health benefits plans coverage of abortion.

By this time, the hospital was harassing us. They turned our accout over to collections agency. We received countless threating letters and telephone calls at work. In the October, my husband and I were forced to file bankruptcy. Our lives and financial future have been ruined.

I am writing this letter so you will know what happened to us and so that you can change this law. Families like ours should not have to go bankrupt in order to receive appropriate medical care.

Sincerely,

KIM MATHIS.

Mr. KOHL. One had to abort a fetus with no brain. Not only did they have the heartbreak of a failed pregnancy, but they also faced the high financial burden of a major operation not covered by insurance. The second letter tells of a family that had to abort nonviable twins. The cost of this complicated and necessary abortion bankrupted them.

I understand and respect the deeply held convictions of both sides in the abortion debate. But it is not fair to allow our heated political debate to do real harm to the people who work for the government. I urge my colleagues to vote against this amendment.

Mr. CAMPBELL addressed the Chair.

The PRESIDING OFFICER. The Senator from Colorado is recognized.

Mr. CAMPBELL. Mr. President, before the Senator from Ohio came to the floor, we were in the process of trying to get a time agreement on the Daschle amendment. I ask the Senator if he would mind laying his amendment aside so we might finish the Daschle amendment as soon as we hear from the majority leader.

Mr. DEWINE. No objection.

Mr. CAMPBELL. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. LOTT. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Ms. COLLINS). Without objection, it is so ordered.

AMENDMENT NO. 3365

Mr. LOTT. Madam President, I call for the regular order with respect to the Daschle amendment and ask that there be 20 minutes, equally divided, prior to the motion to table, and I then be recognized to make the motion to table and with no second-degree amendments in order prior to the vote.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LOTT. For the next 20 minutes, the floor would be open for discussion on the pending amendment, or Senators could speak on other issues.

I yield the floor.

The PRESIDING OFFICER. Who yields time on the amendment?

Mr. CAMPBELL. Madam President, while we are waiting, we are making progress in reaching agreements on other amendments.

AMENDMENT NO. 3368

(Purpose: To provide for the adjustment of status of certain Haitian nationals)

Mr. CAMPBELL. Madam President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Colorado [Mr. CAMPBELL], for Mr. GRAHAM, for himself, Mr. MACK, Mr. KENNEDY, Mr. MOYNIHAN, Mrs. FEINSTEIN, Ms. MOSELEY-BRAUN, Mr. KERRY, and Mr. DURBIN, proposes an amendment numbered 3368.

Mr. CAMPBELL. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The text of the amendment is printed in today's RECORD under ''Amendments Submitted.'')

Mr. GRAHAM. Madam President, I rise today to offer an amendment to the Treasury-Postal appropriations bill that will bring justice to thousands of Haitian nationals who fought for democracy and freedom against the greatest odds.

Last November, Congress passed the Nicaraguan Adjustment and Central American Relief Act to protect those who fled Communism and oppression in Central America during the 1980s.

But while that legislation was a monumental step forward for fairness, it left one deserving group completely unprotected.

Just as brave Central Americans resisted tyranny in their native countries, Haitians struggled to free themselves from oppression.

In fact, many Haitians seeking asylum in our country are here because they challenged a regime that was wantonly violating basic human freedoms.

Mr. President, these brave Haitians have suffered greatly for the causes of freedom and democracy.

They should not be forced to endure serious disruptions in their life once again.

Even though conditions in Haiti have improved greatly since 1994, Amnesty International reports that human rights abuses still occur.

As people who contribute mightily to the strength of our communities, the Haitians living in the United States should not be forced to risk returning to the scene of their prior persecution . . . to face the possibility that it might happen again.

This amendment is a bipartisan effort. Senators MACK and I—along with the cosponsors of the bill I introduced last year, Senators KENNEDY, ABRAHAM, MOSELEY-BRAUN, D'AMATO, MOYNIHAN, FEINSTEIN, KERRY of Massachusetts, DURBIN, and LAUTENBERG—have joined together to ensure that the Haitian people who have sought fairness and justice for so long receive it in 1998.

We have the bipartisan support of leaders ranging from President Clinton to Republicans like Jack Kemp and my Florida colleagues ILEANA ROS-LEHTINEN and LINCOLN DIAZ BALART.

Mr. President, we have left no stone unturned in crafting this legislation. We've asked for input from all sources.

Senator ABRAHAM held a hearing on this bill in December of 1997. The bill was marked up and passed out of the Senate Judiciary Committee on April 23, 1998.

I have personally met with Senator LOTT and explained the importance of this legislation to my state of Florida.

Now we ask our Senate colleagues to take action. The 40,000 Haitian nationals in the United States face deportation in December if Congress does not act.

Our nation was built as a bastion of freedom and a haven for those fleeing oppression around the world. We embrace that heritage in this legislation.

Specifically, our bill helps three groups of individuals—a total of 40,000—adjust their status to legal residency.

Those who were paroled into the United States from Guantanamo Bay, after careful screening by immigration personnel.

These individuals were flow to the United States for review because their asylum cases were deemed to be valid and credible.

Our bill also helps those who were not paroled from Guantanamo, but who came to our nation and filed an application for asylum before December of 1995.

Finally, it reaches out to a small group of unaccompanied or orphaned Haitian children.

The members of each of these three groups are legally here in our country.

They have followed all the laws of our land. This legislation will give them the chance to continue working here. It will help them as they build small businesses. It will keep their U.S. citizen children in school.

Most importantly, it will keep their vibrant spirit and determined work ethic alive in our cities and communities.

During our field hearing, I saw the problem that Haitians face through the eyes of a bright, young student. She couldn't come to the hearing because she was working at one of the two jobs she holds to pay her community college tuition. Alexandra Charles is eighteen years old.

She is an orphan who came to the United States when she was ten years old—after her mother was brutally murdered by Haitian military officials.

She has over a dozen relatives in the United States who are legal residents, but who are not closely related enough to be sponsors.

She has virtually no relatives left alive in Haiti.

Like many individuals in similar circumstances, Ms. Charles was granted a suspension of deportation.

But this relief was withdrawn after the Board of Immigration Appeals ruled that the 1996 immigration law retroactively affected cases like hers.

Alexandra's future in the United States looks bright.

She is a hard worker and a model student.

But without this legislation, our nation will lose the benefit of her special skills and her dedication to our community.

Alexandra is just one of the thousands of law-abiding, hard working individuals who will not be allowed to pursue their valid asylum claims due to the retroactive nature of our 1996 immigration law.

I ask for your help in this fight for justice and fairness.

Let us prove once again that our nation values those who put their lives on the line in the struggle for freedom and democracy.

Mr. MACK. Madam President, I rise today in support of the Graham/Mack immigration amendment to the Treasury/Postal Appropriations bill. I strongly believe that this amendment is the right thing to do for the Haitian community and that it is consistent with our treatment of similarly-situated immigrant groups.

I would like to provide the Senate with some background information on what has led Senator GRAHAM and me to introduce this amendment, a brief explanation of the amendment, and the policy rationale behind the amendment.

First of all, some legislative history on events leading up to the introduction of this amendment. Last year, Senator GRAHAM and I introduced legislation which was intended to ease the transition into implementation of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996, otherwise known as IRAIRA. Our bill simply clarified that immigrants who were in the administrative pipeline for suspension of deportation when IRAIRA was enacted would have their cases for suspension considered under the rules in

place when they applied for suspension, not the new rules contemplated by IRAIRA. I was concerned with the unfairness of changing the rules on people midstream.

While this bill was under consideration in the Senate, an agreement was reached in the House of Representatives which gave even greater relief to the Nicaraguan community—the ability to adjust to legal permanent resident status.

Once it was apparent that Nicaraguans would be granted the opportunity to adjust to legal permanent resident status, the Haitian community made an attempt to be included in the relief. Although they, too, had a compelling case, it was not possible to include them in the final bill at that point in the negotiations. However, Senator GRAHAM and I made a commitment to seek appropriate relief for the Haitians this Congress, and received assurances from the Administration that they would defer potential deportation decisions of the affected Haitians until after Congress had an opportunity to consider legislative relief.

This amendment, identical in text to Senate bill 1504, which was reported favorably out of the Judiciary Committee, would provide permanent resident status to certain Haitians who fled Haiti after the Aristide regime was toppled in a brutal military coup in 1991 and were either paroled into the country or applied for asylum by December 31, 1995.

This amendment is more narrow than the legislation passed last year which gave permanent resident status to Nicaraguans, since the scope and number of people covered is much smaller. Under last year's bill, nearly every Nicaraguan in the United States before December 1, 1995 was made eligible to adjust their status, approximately 150,000 people. Our amendment helps only a limited class of Haitians, estimated at 30,000–40,000, who have sought the help of the United States in fleeing persecution. Let me emphasize that point again—this amendment is for those who have actively sought U.S. help, not those who came illegally and sought to evade detection.

There are two different categories of Haitians involved. The first category are those paroled into the country after being identified as having a credible fear of persecution. Nearly all in this category, approximately 11,000 Haitians, were pre-screened at Guantanamo Bay and found to meet a credible fear of persecution test. These 11,000 Haitians represent approximately 25% of those screened at Guantanamo, the other 75% were returned to Haiti. The second category are those Haitians who have applied for asylum by December 31, 1995. In the case of those in the second category, they are people who have been caught in an asylum backlog not under their control and may have a difficult time now, due to the passage of time, demonstrating a credible fear of persecution. In the meantime, they have put down roots in this country and are making positive contributions to their communities.

I am talking about a twenty-five year old woman, Nestilia Robergeau, who fled Haiti, where she had been beaten and raped and her brother was murdered. Even though she was screened into this country through Guantanamo in 1992, she is still waiting for an asylum interview. In the meantime, she has graduated from high school and hopes to attend college to become a nurse. She works most days from 7 a.m. to 10 p.m. to support herself and her teenage brother.

And then there is a little fourth grade girl in Miami, Florida, Louiciana Miclisse. Both of her parents were shot and killed in Haiti, and the only relative she has now is her Aunt Nadia, who came with her from Haiti. She wants to grow up to be a doctor. She has applied for asylum, but her case has still not been considered. Do we really want to send this child back to Haiti where she has no family? Is that what this country is all about? I believe we are more compassionate than that.

It's also important to mention that conditions in Haiti are not safe for the return of these people. At an immigration subcommittee field hearing last December, the committee was informed that the Haitian government has not yet established the civil institutions necessary to protect these refugees from further retribution by those who perpetrated human rights crimes. In fact, it appears that these criminals continue to operate with impunity.

As I mentioned at the outset, this amendment is consistent with our treatment of similarly-situated immigrant groups. As Grover Joseph Rees, former General Counsel of INS under President Bush, testified at the subcommittee field hearing last December, it has been the rule rather than the exception that when a human rights emergency has led to the admission of large numbers of parolees from a particular country, such refugees and others similarly situated have been subsequently granted permanent residency through Congressional action. Congress has granted permanent residence on this basis in the past to Hungarians, Poles, Soviets, Vietnamese, Chinese, Cambodians, Laotians, Cubans, and, most recently, Nicaraguans. This action for the Haitians is entirely consistent with our past treatment of similarly-situated groups from other countries.

This amendment is the right thing to do, and this is the right time to do it. The Haitians who are affected by this situation have been left in limbo far too long. I urge my colleagues to support the Graham/Mack amendment.

Mr. KENNEDY. Madam President, it is a privilege to join Senator GRAHAM, Senator MACK, Senator ABRAHAM and our other distinguished colleagues in supporting legislation to provide permanent residence to Haitian refugees. Last year Congress enacted the Nicaraguan Adjustment and Central American Relief Act, which enabled Nicaraguan and Cuban refugees to remain permanently in the United States as immigrants. That legislation also enables Salvadorans, Guatemalans, Eastern Europeans and nationals from the former Soviet Union to seek similar relief on a case-by-case basis.

Haitian refugees deserve no less.

Haitians have seen their relatives, friends and neighbors jailed, or murdered, or abducted in the middle of the night and never seen again. Like other refugees, they have fled from decades of violence and brutal repression by the Ton Ton Macoutes, and later the military regime which overthrew the first democratically elected president of Haiti.

The Bush and Clinton Administrations found that the vast majority of these refugees were fleeing from political persecution in Haiti. Thousands of these Haitians were paroled into the United States after establishing a credible fear of persecution. Many others filed bona fide applications for asylum upon arrival in the United States.

This legislation also includes a significant number of unaccompanied children and orphans who did not have the capacity to apply for asylum for themselves. Senator ABRAHAM and I proposed an amendment which was approved by the Senate Judiciary Committee to include these deserving children in this legislation.

This legislation concerns basic fairness. The United States has a long and noble tradition of providing safe haven to refugees. Over the years, we have enacted legislation to provide Hungarians, Cubans, Yugoslavs, Vietnamese, Laotians, Cambodians, Poles, Chinese, and many other refugees with permanent protection from being returned to unstable or repressive regimes.

Last year, we adopted legislation to protect Nicaraguans, Cubans and others, but, the Haitians were unfairly excluded from that bill. The time has come for Congress to remedy this flagrant omission and add Haitians to the list of deserving refugees.

By approving this legislation, we can finally bring to an end the shameful decades of unjust treatment to Haitians. Throughout the 1980s, less than 2 percent of Haitians fleeing the atrocities committed by the Duvalier regimes were granted asylum. Yet, other refugee groups had approval rates as high as 75 percent. Haitian asylum seekers were detained by the Immigration and Naturalization Service, while asylum seekers from other countries were routinely released while their asylum applications were processed. Until recently, Haitians have been the only group intercepted on the high seas and forcibly returned to their home country, without even the opportunity to seek asylum.

Like other political refugees, Haitians have come to our country with a strong love of freedom and a strong

commitment to democracy. They have settled in many parts of the United States. They have established deep roots in their communities, and their children born here are U.S. citizens. Wherever they have settled, they have made lasting contributions to the economic vitality and diversity of our communities and the nation.

This legislation has strong bipartisan support. It is also supported by a range of nation-wide organizations, including the U.S. Catholic Conference, the Church World Service, the American Baptist Churches, the Mennonite Central Committee, the Council of Jewish Federations, the Lutheran Immigration Refugee Service, the United Methodist General Board of Church and Society, the Presbyterian Church (USA) and many, many more.

We should do all we can to end this current flagrant discrimination under the immigration laws. Haitians refugees deserve too—the same protection we gave to Nicaraguans and Cubans last year. We need to pay more than lip service to the fundamental principle of equal protection of the laws.

Finally, the amendment has been modified to resolve a budget problem, deeming approximately 1000 Haitians ineligible for Supplemental Security Income and Medicaid. A similar budget concern was not raised last year when the Nicaraguan Adjustment and Central American Relief Act was considered. I am hopeful that this new injustice can be remedied as the Haitian legislation moves forward. I urge the Senate to accept this amendment.

Mr. CAMPBELL. This amendment is acceptable to both sides. I urge its adoption.

The PRESIDING OFFICER. If there is no further debate, without objection, the amendment is agreed to.

The amendment (No. 3368) was agreed to.

AMENDMENT NO. 3369

(Purpose: To express the sense of Congress that a postage stamp should be issued honoring Oskar Schindler.)

Mr. CAMPBELL. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Colorado [Mr. CAMPBELL], for Mr. LAUTENBERG, proposes an amendment numbered 3369.

Mr. CAMPBELL. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place, add the following:

Since during the Nazi occupation of Poland, Oskar Schindler personally risked his life and that of his wife to provide food and medical care and saved the lives of over 1,000 Jews from death, many of whom later made their homes in the United States.

Since Oskar Schindler also rescued about 100 Jewish men and women from the Golezow concentration camp, who lay trapped and partly frozen in 2 sealed train cars stranded near Brunnlitz;

Since millions of Americans have been made aware of the story of Schindler's bravery;

Since on April 28, 1962, Oskar Schindler was named a ''Righteous Gentile'' by Yad Vashem; and

Since Oskar Schindler is a true hero and humanitarian deserving of honor by the United States Government:

It is the sense of the Congress that the Postal Service should issue a stamp honoring the life of Oskar Schindler.

Mr. CAMPBELL. Madam President, this amendment has been cleared by both sides. I urge its immediate adoption.

The PRESIDING OFFICER. Is there further debate on the amendment?

Without objection, the amendment is agreed to.

The amendment (No. 3369) was agreed to.

Mr. CAMPBELL. Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. REID. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. REID. Madam President, I ask unanimous consent that the Daschle amendment be temporarily set aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 3370

(Purpose: To improve access to FDA-approved prescription contraceptives or devices)

Mr. REID. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Nevada [Mr. REID], for Ms. SNOWE, for herself and Mr. REID, proposes an amendment numbered 3370.

Mr. REID. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place in the bill, insert the following:

SEC. ___. (a) None of the funds appropriated by this Act may be expended by the Office of Personnel Management to enter into or renew any contract under section 8902 of title 5, United States Code, for a health benefits plan—

(1) which provides coverage for prescription drugs, unless such plan also provides equivalent coverage for all prescription contraceptive drugs or devices approved by the Food and Drug Administration, or generic equivalents approved as substitutable by the Food and Drug Administration; or

(2) which provides benefits for outpatient services provided by a health care professional, unless such plan also provides equivalent benefits for outpatient contraceptive services.

(b) Nothing in this section shall apply to a contract with any of the following religious plans:

(1) SelectCare.

(2) PersonalCare's HMO.

(3) Care Choices.

(4) OSF Health Plans, Inc.

(5) Yellowstone Community Health Plan.

(6) and any other existing or future religious based plan whose religious tenets are in conflict with the requirements in this Act.

(c) For purposes of this section—

(1) the term ''contraceptive drug or device'' means a drug or device intended for preventing pregnancy; and

(2) the term ''outpatient contraceptive services'' means consultations, examinations, procedures, and medical services, provided on an outpatient basis and related to the use of contraceptive methods (including natural family planning) to prevent pregnancy.

Ms. SNOWE. Madam President, I rise today, along with my colleague Senator REID, to offer an amendment to the Treasury-Postal appropriations bill that will produce two critical results: It will provide women who work for the federal government the equality in health care and the affordable access to prescription contraception coverage they need and deserve; and it will help reduce the number of unintended pregnancies and abortions in this country.

The Snowe-Reid amendment says that if a health plan in the Federal Employees Health Benefits Program, or FEHBP, provides coverage of prescription drugs and devices, they must also cover FDA-approved prescription contraceptives. It also provides that plans which already cover outpatient services also cover medical and counseling services to promote the effective use of those contraceptives.

That's it, Madam President. That's the extent and scope of the Snowe-Reid amendment. It only prevents health plans in the FEHBP from carving out exceptions for FDA-approved prescription contraceptives that prevent pregnancy.

It does not cover abortion in any way, shape or form. It does not cover abortion related services such as counseling a woman to seek an abortion. And it does not require coverage of RU–486, because RU–486 is not a method of contraception. Let me repeat, this amendment does not require coverage of RU–486.

The Snowe-Reid amendment also respects the rights of religious plans that, as a matter of conscience, choose not to cover contraceptives. Again, I want to make it clear that this amendment clearly exempts such plans.

Finally, the Snowe-Reid plan isn't going to break the bank or burden American taxpayers. In fact, CBO has estimated that the cost to the federal government would be less than $500,000, and under CBO's practice of scoring bills to the nearest million dollars, CBO stated: ''this provision would have no effect on the budget totals in FY 1999.''

So the Snowe-Reid amendment is a practical, common sense, cost effective approach to effecting the kind of public health policy that should set an example for the rest of the nation's insurers to follow.

The need for this visionary measure is clear. Today, nearly 9 million Federal employees, retirees, and their dependents participate in the FEHBP. Fully 1.2 million are women of reproductive age who rely on FEHBP for all their medical needs. Unfortunately, the vast majority of these women are currently denied access to the broad range of safe and effective methods of contraception.

In fact, according to the Office of Personnel Management, which administers the FEHBP, 81 percent of plans do not cover all five of the most basic and widely used methods of contraception and 10 percent of these plans do not cover any type of contraception at all.

The ramifications of this are dramatic. When 8 out of 10 women enrolled in the FEHBP aren't covered for the leading methods of contraception, their choices are unfairly limited. Who are we to pick and choose what method works best—or is most medically suited—for each individual woman?

The fact is, different women require different methods of contraception due to a variety of factors. If there is only one method of contraception her plan offers, where does that leave her? And even more to the point, why do we leave this decision to her health care plan, instead of her health care provider?

Across America, this lack of equitable coverage for prescription contraceptives contributes to the fact that women today spend 68 percent more than men in health care costs. That's 68 percent. And this gap in coverage translates into $7,000 to $10,000 over a woman's reproductive lifetime.

So I ask my colleagues: with 25 percent of all Federal employees earning less than $25,000—and nearly 18,000 Federal employees having incomes below or slightly above the Federal poverty level—what do you think is the likely effect of these tremendous added costs for these Federal employees?

Well, I'll tell you the effect it has: many of them simply stop using contraceptives, or will never use them in the first place, because they simply can't afford to. And the impact of those decisions on these individuals and this nation is a lasting and profound one.

Women spend more than 90 percent of their reproductive life avoiding pregnancy, and a woman who doesn't use contraception is 15 times more likely to become pregnant than women who do. Fifteen times. And of the 3.6 million unintended pregnancies in the United States, half of them will end in abortion.

I can't think of anyone I know, no matter their ideology, party, or gender, who doesn't want to see the instances of abortion in this nation reduced. Well, imagine if I told you we could do something about it, and do it at almost no cost to the federal government.

That is what the Snowe-Reid amendment does. When the Alan Guttmacher Institute estimates that the use of birth control lowers the likelihood of abortion by a remarkable 85 percent, how can we ignore a provision like the Snowe-Reid amendment that will make the use of birth control more affordable to our Federal employees, and do so with negligible cost to the Federal government?

And yet, as thoughtful an approach as the Snowe-Reid amendment may seem, I know that there will still be some in this body who will argue against it. Well, I believe these arguments do not withstand scrutiny, and I would like to take just a few minutes to explain why.

Some may voice concern that the Snowe-Reid amendment requires coverage of abortion of drugs that induce abortion, such as RU–486. To which I will reiterate, the Snowe-Reid amendment only requires coverage of FDA-approved methods of contraception—that means contraception to prevent pregnancy.

It is important to make it clear that we are only talking about methods of contraception under this amendment. And I might add, methods of contraception which will reduce the number of abortions in this country—so the fact is—if you want to see fewer abortions performed in the United States, you should support this amendment.

When it comes to the incredibly personal issue of abortion we should be celebrating common ground, not condemning it. This amendment achieves that goal. It does not pretend to settle the issue of abortion in America—far from it. It does, however, provide a rallying point for those who want to see abortions reduced—all of us, I would think—and that's the reason people like Senator REID who is prolife, support it on one side of the abortion debate and people like me on the other.

Some opponents may say that pregnancy isn't really a medical condition, and therefore we shouldn't be requiring its coverage in the FEHBP. Obviously, anyone who says this hasn't been through pregnancy or childbirth. If pregnancy isn't a medical condition, then I'd like to know what is!

And in this day and age when prevention is the buzzword—as it should be—how is it we can support prescription coverage to treat a variety of biological conditions but not to prevent one of the most dramatic and life-altering conditions of all?

Still others may argue, ''Pregnancy is a lifestyle choice, and shouldn't be covered like diseases that are not''. Such an argument simply ignores reality as well as the facts.

As Luella Klein, the director of women's health issues at ACOG, put it: ''There's nothing 'optional' about contraception. It is a medical necessity for woman during 30 years of their lifespan. To ignore the health benefits of contraception is to say that the alternative of 12 to 15 pregnancies during a woman's lifetime is medically acceptible.''

Of course, we shouldn't be too surprised at the attitude of our opponents. Indeed, it wasn't until 1978—only twenty years ago—that Congress passed a law requiring that maternity benefits be covered like any other medical care. Before we passed the Pregnancy Discrimination Act, 43 percent of insurance policies didn't include coverage of maternity care. Sound familiar?

So here we are, twenty years later, battling some of the same insurance companies that in 1978 didn't want to provide the same coverage we now take for granted. How can they still not cover the means to prevent what they already acknowledge through existing coverage as a medical condition?

The fact is, all methods of contraception are cost effective when compared to the cost of unintended pregnancy. And with unplanned pregnancies linked to higher rates of premature and low-birth weight babies, costs can rise even above and beyond those associated with healthy births.

As the American Journal of Public Health estimates, the cost under managed care for a year's dose of birth control pills is less than one-tenth of what it would cost for prenatal care and delivery.

So the question, then, is not ''How can we afford to expand coverage to prescription contraceptives?'' but ''How can we afford not to?''

No, the cost argument doesn't hold water, Mr. President, and neither do any of the other arguments. The bottom line is, the Snowe-Reid amendment makes sense from a standpoint of fairness, from the standpoint of compassion, from the standpoint of cost effectiveness and from the standpoint of good public health policy.

Maybe that's why the concept is supported by such diverse groups as the American Medical Association, the American Academy of Family Physicians, the American Academy of Pediatrics, the American College of Obstetricians and Gynecologists, the American Society for Reproductive Medicine, the American Medical Women's Association, and the Society for Adolescent Medicine.

Whatever the reason, as an employer and model for the rest of the nation, the federal government should provide equal access to this most basic health benefit for women. This amendment would allow federal employees to have that option, one already provided an option for contraceptives through the Medicaid program. Why shouldn't the same federal commitment be extended to women employed by the federal government?

In closing, Madam President, let me say that if we, as a nation, are truly committed to reducing abortion rates and increasing the quality of life for all Americans, then we need to begin focusing our attention on how to prevent unintended pregnancies. The Snowe-Reid amendment is a significant step in the right direction, and I urge my colleagues to join me in supporting it.

Ms. MIKULSKI. Madam President, I want to thank Senators SNOWE and

REID, for offering this important amendment today. I am proud to be a cosponsor of the Snowe amendment. I am also proud to be an original cosponsor of the Snowe-Reid bill on which this amendment is based.

This amendment is about two things—it's about equity and it's about women's health.

The Snowe amendment would help to narrow the gender gap for women in insurance plans. What it does it really is quite simple. It requires that any health plan for federal employees that covers prescription drugs must also cover prescription contraceptives.

Federal Employee Health Benefit plans routinely cover prescription drugs. But they routinely discriminate against women by not including prescription contraceptives. In fact, 81% of the plans under FEHBP fail to cover all five of the leading types of contraceptives. Ten percent offer no coverage at all.

Mr. President, I am a strong supporter of our federal employees. I am proud that so many of them call Maryland their home. They work hard in the service of our country. And I work hard for them. Whether it's fighting for fair COLAs, against disruptive and harmful shutdowns of the federal government, or fighting to prevent unwise schemes to privatize important services our federal workforce provide, they can count on me.

Today, I am fighting for equity in health insurance coverage for federal employee women. The failure of the majority of federal health plans to cover all forms of prescription contraceptions results in unfair physical and financial burdens for women. It forces women of reproductive age to spend 68% more for out-of-pocket health care costs than men.

This amendment would help to correct that inequity. That is one reason why I so strongly support it.

I also support the Snowe amendment because it will help to safeguard women's health. As a member of the Committee on Labor and Human Resources, I have worked hard for women's health. Whether it was establishing the Office of Women's Health Research at NIH, fighting for inclusion of women in clinical trials, or ensuring that women receive safe and accurate mammograms through the Mammography Quality Standards Act, I have fought to make sure that women's health needs are met.

Contraception is a part of basic health care for women. This amendment will ensure that federally-employed women will have the tools they need to plan their families, to avoid unintended pregnancies and to reduce the need for abortion.

Access to family planning is one of the most important issues facing women today. Family planning improves maternal and child health. We know that unwanted pregnancies are associated with lower birth weight babies and jeopardize maternal health. They also too often put a young woman's future academic and personal achievement in jeopardy. When the resources are available to help women make good, responsible choices about parenthood and their futures, we have no excuse for not making those tools available.

I am proud that my own state of Maryland has been a leader in this area. Earlier this year, Maryland became the first state in the nation to require insurers that cover prescription drugs to also cover FDA-approved prescription contraceptives. Maryland has once again shown itself to be on the leading edge of progressive health care policy.

Today, the Senate has an opportunity to take the first steps in following Maryland's example. We can adopt the Snowe amendment. We can ensure that women in the federal workforce have equitable access to prescription contraceptions.

I hope we will adopt this amendment today. And I hope we will bring to the floor soon the Snowe-Reid bill to ensure that all insurance plans that cover prescription drugs include contraceptive drugs and devices in that coverage.

Ms. MURRAY. Madam. President, I want to thank the sponsor of this important amendment for all his work and effort on behalf of women's health. As a Senator who has long championed women's health issues and fought to protect women's health, I commend him for his efforts. I am pleased to join with him today in support of women's health equity.

There has been a great deal of debate lately regarding contraceptive equity. Let me first start by explaining what this amendment does not do. It does not mandate benefits. Let me repeat that, this is not a mandate. If a plan does not have a prescription drug benefit then they do not have to add contraceptives. If a plan has a copy of deductible for prescription benefits, then contraceptives would also have the same copy or deductible. If a plan requires payments or deductibles for surgical services, then family planning benefits would also have the same copayments and deductibles. This is not a mandate. It simply says that plans cannot treat contraceptives any differently than medication to treat high blood pressure or to treat diabetes.

This amendment does not increase federal spending. CBO has scored this amendment as having a minimal effect on spending. The cost is such that CBO cannot even estimate as it falls below their threshold for calculating or determining budgetary impact. I would argue that in fact it will have a positive impact on spending. Currently, 50 percent of all pregnancies in this country are unintentional. Increasing access to safe, affordable family planning can only reduce this number. The average cost annually of oral contraceptives is estimated at $400 to $500. The cost of an uncomplicated delivery is close to $4,000, this excludes any prenatal or postnatal care. It does not take a budgetary expert to conclude that there will actually be savings from this amendment.

This amendment is also not about abortion. Let me make this very clear. This is not an abortion debate. No part of this amendment would require federal funding of abortions. It simply goes to those contraceptives that are currently approved by the FDA to prevent unintentional pregnancies. RU486 is not currently available in the United States. No plan would be required to cover RU486. If you ask any woman if there is a difference between abortion and contraceptives I can assure you that the answer would be yes.

Now let me tell you all what this amendment does. This amendment goes to the heart of women's health. Reproductive health and effective family planning are women's health issues. It is hard to go a week without hearing one of my colleagues talk about the importance of women's health. There are probably well over 500 pieces of legislation pending that impact women's health. Every member strives to have a solid record on women's health issues. Every member claims to be a champion of women's health. Yet denying access to safe, affordable contraceptives for federal employees poses a serious threat to women's health. On average, without effective, safe family planning, most women could expect to endure 12 to 13 pregnancies in her life time. While most women have safe and healthy pregnancies, for some it still can be life threatening. And for most women 12 or 13 pregnancies does pose a serious health threat.

In order to protect women's health and reduce infant mortality it is critical to plan for pregnancy. To place economic barriers for women to receive safe family planning services is to place a significant health burden upon us.

Many women may not even be aware, but women can expect to pay up to 68 percent more in out of pocket health care costs than men. Ask any woman if she is willing to pay 68 percent more for housing, or food or transportation and I can assure you the answer would be a resounding no. But, for health care this is actually what women face. I stand today to say we must reverse this trend. We already know that women can expect to earn 71 cents for every dollar earned by a man. Now we want to say that they should pay 68 percent more for health care or for any consumer product.

This is a basic question of equity and fairness. This is even more evident in the federal work force. By and large the federal work force is younger and paid less than the private sector. Effective family planning is even more essential in a younger work force. Many federal employees who live pay check to pay check. Yet, female federal employees have no guarantee that their insurance will not discriminate against them. If there is a health care benefit

program that should offer a wide range of affordable reproductive health benefits, I would argue it must be the Federal Employees Health Benefit Plan.

There are some of my colleagues who will argue it should be up to the plan or even some who will argue that Members of Congress should decide what methods of family planning are covered. It is these very Members of Congress who also argue that only the physician and patient should be making health care decisions. Not health plans or politicians. I urge my colleagues to think very carefully about who they want making life and death health care decisions. I would hope that my colleagues would concur that only physicians and the patient should be making these decisions. This is why the American College of Obstetricians and Gynecologists endorses this amendment. They know how dangerous it is to make life or death decisions based solely on economics or other arbitrary criteria.

Economic barriers and discriminatory insurance practices do threaten women's health. The National Commission to Prevent Infant Mortality determined that ''infant mortality could be reduced by 10 percent if all women not desiring pregnancy used contraceptives.'' With one action we could be reducing our tragic infant mortality rate in this country. The Institutes of Medicine's Committee on Unintended Pregnancy recommended that ''financial barriers to contraception be reduced by increasing the proportion of all health insurance policies that cover contraceptive services and supplies.'' As the largest purchaser of private health insurance in this country, the Federal Government should set the example for the private market. We should listen to the evidence of the medical community and research scientists and tear down economic barriers within the Federal Employees Health Benefit Plan.

I urge my colleagues to let women and their doctors decide, not politicians and certainly not economics. Having access to the most appropriate family planning method without economic sanctions is a women's health issue. Each woman must have the ability to make this decision based on the recommendations of her doctor. To most women, this is a major women's health vote. This is a question of equity and fairness but more importantly it is an issue of access to safe, affordable reproductive health care services.

How would any Member of this body feel if we found out that our insurance policies would only provide access to one form of high blood pressure medication, regardless of the side effects? How would we react if a plan operating in the FEHBP said that they would charge a higher copayment for prescription drugs to treat heart ailments? How we would respond to these discriminatory practices that threaten quality, affordable health care for FEHBP participants? I can tell you how this member would respond. I would be on the floor offering amendments to end discriminatory insurance practices that result in nothing more than economic sanctions that diminished access to safe health care services.

We owe our federal employees more and we should be a leader on women's health. I urge my colleagues to vote for women's health instead of just talking about it.

Mr. KENNEDY. Madam President, I urge the Senate to approve the amendment by Senator SNOWE and Senator REID to provide fairness in prescription coverage for family planning.

The provisions of this amendment will benefit millions of American women by helping to make the cost of preventing unintended pregnancy more affordable. They will also help to reduce the number of unintended pregnancies by providing women with greater access to a broad range of safe and effective family planning services.

Too often, insurance companies refuse to cover these costs. Only a third of all private health plans currently cover oral contraceptives—the most widely used prescription method of family planning. According to a study by the Alan Guttmacher Institute, nearly half of all large-group plans do not cover such prescriptions—despite the fact that 97 percent of traditional fee-for-service plans routinely cover prescriptions for other medicines and medical devices. In a recent column in the Washington Post, David Broder called this lack of coverage ''one of the great stupidities in the health care system.''

The result in that women are too often forced to rely on family planning without the full range of available methods. Women pay 68 percent more than men in out-of-pocket health care costs—in large part because of the high cost of preventing unintended pregnancies. As Ellen Goodman noted in a column in The Boston Globe, ''Some women are making hard economic choices between paying their bills and buying pills.''

Too often, women are forced to settle for the family planning method that is most affordable, rather than the one that is most effective. Inevitably, many of them are forced to settle for no method at all. The result is large numbers of unintended pregnancies each year, and large numbers of abortions. Clearly, greater access to reliable methods of birth control will substantially reduce the number of abortions.

In the United States, it is estimated that half of all pregnancies each year are unintended. Three million women use no method of birth control, and they account for half of all unintended pregnancies. Greater access to insurance coverage will significantly reduce this number. As an editorial in the American Journal of Public Health points out: ''Contraception is the keystone in the prevention of unintended pregnancy.''

The vast majority of women who use some form of birth control do not have insurance coverage to defray the cost. Often, they are forced to choose inexpensive methods with high failure rates. The proposal by Senator SNOWE and Senator REID is an important step in the right direction. It requires private insurance companies to cover FDA-approved, prescription birth control drugs and devices in a manner comparable to all other prescription drugs and devices.

Just as more effective birth control means fewer unintended pregnancies and fewer abortions, it also means more savings in health costs. An April, 1995 study in the American Journal of Public Health estimated that women who use prescription contraceptives will avoid far more in other health costs than the cost of the prescriptions.

According to the Guttmacher Institute, the increased cost to employers who provide this coverage to their employees would be $17.00 a person per year. That's an increase of just one-half-of-one percent over current costs per employee.

This bill is sound public policy. It is supported by all major family planning organizations and by the vast majority of the American people. In surveys, 75 percent of Americans express support for increasing access to family planning services. And, 73 percent of survey respondents continue to be supportive, even if contraceptive coverage modestly increases their insurance premiums.

Support for increasing this coverage clearly crosses party lines. It is sound public policy that has been too long in coming. I urge the Senate to approve it.

Mr. JEFFORDS. Madam President, over the past few years we have become increasingly aware of the need to improve women's health. I am an original cosponsor of S. 766, the Equity in Prescription Insurance and Contraceptive Coverage Act and am proud to support Senators SNOWE and REID today in their amendment to ensure contraception coverage for all women covered by the Federal Employee Health Benefit Program.

I held a hearing on this issue in the committee on Labor and Human Resources on July 21, 1998, and am pleased to see interest in and support for this issue growing. It has been too long in coming, but I am glad to have the opportunity to be part of providing equity in health care for women. I look forward to the day when all American women will enjoy the same equity in coverage this amendment provides to women employed by the federal government.

Out-of-pocket health care expenses for women are 68 percent higher than those for men, and most of the difference is due to noncovered reproductive health care. It is disturbing how rapidly some insurance plans began covering Viagra when it has taken so

long for many of them to begin covering contraceptives. This bill helps achieve gender equity in health benefits, and its passage would be a victory for women across the Nation.

''EPIC'' provides that if a health insurance plan covers benefits for other FDA-approved prescription drugs or devices, it also must cover benefits for FDA-approved prescription contraceptive drugs or devices. Further, ''EPIC'' provides that if the plan covers benefits for other outpatient services provided by a health care professional, it also must cover outpatient contraceptive services.

The bill does not require special treatment of prescription contraceptives or outpatient contraceptive services compared to other prescription drugs or outpatient care.

Each year more than half of all pregnancies in the United States—approximately 3.6 million pregnancies—are unintended, and almost half of all unintended pregnancies end in abortion. Reducing unintended pregnancies by making effective contraception more widely available would reduce the need for abortion. For that reason, surveys suggest that most people favor increasing coverage of contraception by health insurance plans.

The vast majority of private insurers cover prescription drugs, but many exclude coverage for prescription contraceptives. In contrast to the lack of coverage for reversible contraception, most plans do cover abortion and sterilization.

The gender equity issue has been highlighted recently by the willingness of many health insurance plans to cover Viagra. A Kaiser Family Foundation national survey on insurance coverage of contraception conducted in May of this year demonstrated that 75 percent of Americans 18 years and older supported coverage of contraception, but only 49 percent supported coverage of Viagra.

The Health Insurance Association of America (HIAA) has estimated that the extra cost to employers who do not now cover reversible medical methods of contraception is about $16 per employee per year—or less than one percent of current health care premiums.

Mr. LAUTENBERG. Madam President, I would like to express my support for the amendment offered by Senators SNOWE and REID.

I applaud the efforts of these two Senators in bringing to our attention the inequities that exist for men and women in federal health care plans.

Most federal employee health care plans (FEHBP) cover a wide range of prescription drugs without covering prescription contraceptive drugs. In fact, almost all federal insurance plans fail to cover all five of the most widely used forms of contraception. Ten percent have no coverage of contraception at all.

A health care plan's refusal to cover contraception is effective discrimination against women. Access to contraception should be a basic health benefit for female federal employees. And women should be able to choose the best method of contraception for them, depending on their medical history and personal health care needs.

If adopted, this amendment will certainly help lower the rate of unintended pregnancies and reduce the need for abortion. That result is something positive on which we can all agree.

The Federal Government should be conscientious and fair about how it treats its employees. It should be a model for private insurance plans, guiding them to provide the best health care possible for those who enroll in government-sponsored plans. Not allowing access to a full range of contraceptive services to the women who work in our own Senate offices, to the civilian employees in the Pentagon, to FBI and DEA agents, and to the female officers on the Capitol Police Force, to name a few examples, is unfair and essentially creates a two-tiered health care system for public and private sector employees.

I urge my colleagues to support this amendment.

Mrs. BOXER. Madam President, I strongly support my colleague's amendment to require Federal Employee Health Benefits plans to treat prescription contraceptives the same as all other covered drugs. This amendment is critical to improving both equity and health care for federal employees.

The Federal Employee Health Benefits plans should be a model for health insurance coverage for all Americans. Unfortunately, they fall far short when it comes to reproductive health. Ten percent of Federal Employee Health Benefits plans have no coverage for contraception. 81 percent of plans do not cover the range of contraceptive care for women, including the most commonly used reversible contraceptives, including (oral contraceptives, diaphragm, IUD, Depo-Provera, and Norplant.

This is an issue of gender equity. Women spend 68 percent more in out-of-pocket costs for health care than men. Much of this difference is due to reproductive health costs. For many women, contraceptives cost an additional $400 or more each year. By passing this amendment, we can take an important step toward eliminating this economic disparity.

I note with some concern that this amendment allows certain plans to exempt themselves from complying with this requirement. This exemption will limit the scope of these gains for American women. It was my hope that we could ensure contraceptive parity for all, not some.

I urge my colleagues to continue to pursue that aim, but I acknowledge that effort must be left for another day.

I urge my colleagues to vote ''yes'' for this amendment, ''yes'' for equity, and ''yes'' for the reproductive health of our Federal employees.

Mr. KOHL. Madam President, I rise in strong support of this amendment. It would require Federal Employees Health Benefit (FEHB) plans that cover prescription drugs to also cover FDA approved prescription contraceptives. This same amendment was included in the House version of our bill by a vote of 239–183.

The issue of family planning should be one that brings together both sides of the abortion debate. Close to half of all pregnancies in the United States are unintended, and tragically, those unintended pregnancies often lead to abortion. By providing federal workers with the most appropriate and safe means of contraception, we can reduce the number of abortions performed and increase the number of children who are born wanted, planned for, and loved.

I thank Senators REID and SNOWE for their leadership on this issue, and I hope the Senate follows the House's lead and gives this amendment our overwhelming support.

Mr. REID. Madam President, this amendment will help to create gender equity in health care, will provide for healthier mothers and children, will lower the rate of abortion and it will cost the government nothing—in fact it may save money.

We can do all of this requiring the Federal Employee Health Benefits (FEHB) plans to cover prescription contraception just as they cover other prescriptions.

Currently, women of reproductive age spending 68 percent more in out of pocket health costs than men.

The proposed amendment would require FEHB plans to treat prescription contraceptives the same as all other cover drugs. In so doing, it would help to achieve parity between the benefits offered to male participants in FEHB plans and those offered to female participants, there by narrowing the gender gap in insurance coverage.

The vast majority of FEHB plans offer prescription drug coverage, but fail to cover the full range of prescription contraceptions.

I have said it many times now, but I believe if men were the ones who needed prescription contraceptives, I have no doubt they would have been covered by insurance years ago.

the FEHB Program should be the model for private plans. the United States Government, as an employer, should provide basic health benefits for women and families insured through FEHB.

Eight-one percent of FEHB plans do not cover all five leading reversible methods of contraception. (Oral contraceptives, diaphram, IUD's, Norplant and Depo-Provera)

Ten percent of FEHB plans have no coverage of contraceptives—they do not cover any of the five leading methods.

Women should be receiving health care coverage equal to the coverage that every man receives from the federal employee health care benefits

plan—which is probably a majority of the male Senators in this chamber.

Contraceptive services also help to promote healthy pregnancies and healthy birth outcomes. A study of 45,000 women suggests that women who used family planning services in the 2 years before conception were more likely to receive early and adequate prenatal care.

The National Commission to Prevent Infant Mortality estimated that 10 percent of infant deaths could be prevented if all pregnancies were planned; in 1989 alone, 4000 infant lives could have been saved.

Now, we have all gone through the long abortion debates on this floor. they are heated passionate debates.

Senator SNOWE and I come from opposite sides of that debate. I am prolife. Senator SNOWE is pro-choice. But we have one thing in common regarding this issue: We both believe that abortions are to be avoided and that the number that occur in this country every year needs to be reduced.

How do we reduce the number of abortions? We reduce the number of unintended pregnancies by providing women with the means to acquire birth control.

Contraceptive help couples plan wanted pregnancies and reduce the need for abortion. There are 3.6 million unintended pregnancies in this Nation each year—about 60 percent of all pregnancies. And almost half of these unintended pregnancies end in abortion.

I have a chart here that shows as the unintended pregnancy rate drops, so does the number of abortions.

From 1981 to 1987 the unintended pregnancy rate dropped by about 1 percent and the abortion rate also slightly dropped. the unintended pregnancy rate dropped 8.8 percent from 1987 to 1994, and the abortion rate per 1000 women during those years dropped from 24 to 20. Given this trend, I think it would be wise to do whatever we can to speed up the drop in unintended pregnancies.

The cost effectiveness of family planning is well documented. Studies indicate that in the private sector, for every dollar invested in family planning, between $4 and $14 are saved in health care and pregnancy related costs.

CBO has estimated that this amendment will cost less than $500,000. Under CBO's practice of scoring bills to the nearest million dollars this provision would have no effect on the budget total in fiscal year 1999.

AMENDMENT NO. 3371 TO AMENDMENT NO. 3370

(Purpose: To provide a rule of construction relating to coverage)

Mr. REID. Madam President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Nevada [Mr. REID] proposes an amendment numbered 3371 to amendment No. 3370.

Mr. REID. Madam President, I ask unanimous consent that reading of the amendment be dispensed with.

Mr. CAMPBELL. Madam President, I object.

The PRESIDING OFFICER. Objection is heard. The clerk will report the amendment.

The assistant legislative clerk continued to read as follows:

At the end of the amendment, add the following new subsection:

(c) Nothing in this section shall be construed to require coverage of abortion or abortion related services.

Mr. CAMPBELL. Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. ROTH. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROTH addressed the Chair.

The PRESIDING OFFICER. The Senator from Delaware is recognized.

AMENDMENT NO. 3365

Mr. ROTH. Madam President, as I stated earlier today, I am a strong proponent of fixing the marriage penalty. it is a top priority of the Finance Committee in our efforts to reform the Tax Code. But it must be done properly. And such is not the case with this amendment—nor with the amendment proposed this morning. As I said this morning, the bill on which my colleagues are trying to attach marriage penalty legislation is an appropriations bill. It is not a tax bill.

As this Treasury-Postal appropriations bill is not a revenue measure—and as all revenue measures must originate in the House of Representatives—this one amendment could subject the entire bill to a blue slip. In other words, Madam President, adding a revenue measure that originates in the Senate to a nonrevenue bill, will sink the entire bill. Under the rules, any member in the House can raise an objection and kill this appropriations bill. And that is in no one's interest.

So while I agree in principle with the objective of reforming the marriage penalty—I would be remiss in my duties if I did not make it clear that passing this amendment at this time is inappropriate. Whether the marriage penalty fix is paid for, or not, it must be handled in Congress as the Constitution requires. Therefore, I urge my colleagues to vote against the amendment.

Mr. MOYNIHAN. Mr. President, with regret, I must oppose Senator DASCHLE's amendment to provide for marriage tax penalty relief. Although I support the idea of a revenue-neutral solution to the inequitable situation created by the Internal Revenue Code for millions of married couples, an appropriations bill is not the proper forum for debating and voting on resolution of this matter. To attach this amendment to this bill would violate the constitutional requirement that revenue measures originate in the House, and it would kill this important appropriations legislation.

I agree with the distinguished chairman of the Finance Committee, Senator ROTH, that the issue of the marriage penalty should first be considered by the Finance Committee and proceed to the floor in the manner normally associated with tax legislation. I look forward to working with him, and all the members of the committee in coming to a bipartisan agreement on a measure that provides relief to taxpayers saddled with the marriage penalty and is properly offset under the budget rules.

Madam President, I yield the floor. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. CAMPBELL. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CAMPBELL. Madam President, I further call for the regular order with respect to the Daschle amendment.

The PRESIDING OFFICER. The amendment is now pending.

Mr. CAMPBELL. I further tell Members, the majority side yields back all time.

The PRESIDING OFFICER. Ten minutes remains on the minority side for this amendment, controlled by the minority leader or his designee. Who yields time?

Mr. REID. Madam President, I ask the Daschle amendment be set aside.

The PRESIDING OFFICER. Is there objection to setting aside the Daschle amendment?

Mr. REID. And, if necessary, the DeWine amendment, which is next in order.

The PRESIDING OFFICER. Is there objection to setting aside the Daschle amendment and the DeWine amendment? Without objection, it is so ordered.

AMENDMENT NO. 3370, AS MODIFIED

Mr. REID. Madam President, on the Snowe-Reid amendment which is now pending, on page 2 of the amendment, line 3, the word ''all'' is listed. I would like to modify my amendment and delete the word ''all.''

The PRESIDING OFFICER. Is there objection to the Senator's request? Without objection the amendment will be modified.

The amendment (No. 3370), as modified, is as follows:

At the appropriate place in the bill, insert the following:

SEC. ___. (a) None of the funds appropriated by this Act may be expended by the Office of Personnel Management to enter into or renew any contract under section 8902 of title 5, United States Code, for a health benefits plan—

(1) which provides coverage for prescription drugs, unless such plan also provides

equivalent coverage for prescription contraceptive drugs or devices approved by the Food and Drug Administration, or generic equivalents approved as substitutable by the Food and Drug Administration; or

(2) which provides benefits for outpatient services provided by a health care professional, unless such plan also provides equivalent benefits for outpatient contraceptive services.

(b) Nothing in this section shall apply to a contract with any of the following religious plans:

(1) SelectCare.

(2) PersonalCare's HMO.

(3) Care Choices.

(4) OSF Health Plans, Inc.

(5) Yellowstone Community Health Plan.

(6) and any other existing or future religious based plan whose religious tenets are in conflict with the requirements in this Act.

(c) For purposes of this section—

(1) the term ''contraceptive drug or device'' means a drug or device intended for preventing pregnancy; and

(2) the term ''outpatient contraceptive services'' means consultations, examinations, procedures, and medical services, provided on an outpatient basis and related to the use of contraceptive methods (including natural family planning) to prevent pregnancy.

Mr. REID. I ask for the regular order.

AMENDMENT NO. 3365

The PRESIDING OFFICER. The regular order brings back the amendment by Senator DASCHLE. The time is being charged against the amendment on the minority side. All time has been yielded back on the majority side.

The Senator from North Dakota.

Mr. CONRAD. Madam President, I have been asked to yield back the rest of our time on our side.

The PRESIDING OFFICER. All time has been yielded back on both sides.

The Senator from Colorado.

Mr. CAMPBELL. On behalf of the majority leader, I move to table the Daschle amendment. Madam President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion to lay on the table the amendment of the Senator from South Dakota, Mr. DASCHLE.

The yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. NICKLES. I announce that the Senator from North Carolina (Mr. HELMS) is absent because of illness.

I further announce that, if present and voting, the Senator from North Carolina (Mr. HELMS) would vote ''aye.''

The result was announced—yeas 57, nays 42, as follows:

[Rollcall Vote No. 243 Leg.]

YEAS—57

Abraham	Burns	Collins
Allard	Byrd	Coverdell
Ashcroft	Campbell	Craig
Bennett	Chafee	D'Amato
Bond	Coats	DeWine
Brownback	Cochran	Domenici
Enzi	Jeffords	Roth
Faircloth	Kempthorne	Santorum
Frist	Kyl	Sessions
Gorton	Lott	Shelby
Gramm	Lugar	Smith (NH)
Grams	Mack	Smith (OR)
Grassley	McCain	Snowe
Gregg	McConnell	Specter
Hagel	Moynihan	Stevens
Hatch	Murkowski	Thomas
Hutchinson	Nickles	Thompson
Hutchison	Robb	Thurmond
Inhofe	Roberts	Warner

NAYS—42

Akaka	Feingold	Lautenberg
Baucus	Feinstein	Leahy
Biden	Ford	Levin
Bingaman	Glenn	Lieberman
Boxer	Graham	Mikulski
Breaux	Harkin	Moseley-Braun
Bryan	Hollings	Murray
Bumpers	Inouye	Reed
Cleland	Johnson	Reid
Conrad	Kennedy	Rockefeller
Daschle	Kerrey	Sarbanes
Dodd	Kerry	Torricelli
Dorgan	Kohl	Wellstone
Durbin	Landrieu	Wyden

NOT VOTING—1

Helms

The motion to lay on the table the amendment (No. 3365) was agreed to.

Mr. GRAMM. I move to reconsider the vote.

Mr. WARNER. I move to lay it on the table.

The motion to lay on the table was agreed to.

Mr. CAMPBELL. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. FAIRCLOTH). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. CAMPBELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENTS NOS. 3370, AS MODIFIED, AND 3371, EN BLOC

Mr. CAMPBELL. I ask unanimous consent that the Senate now consider amendment No. 3370 as modified and offered by Senator REID of Nevada for Senator SNOWE and ask for its adoption.

The PRESIDING OFFICER. The two amendments are pending; they are the pending amendments.

Mr. CAMPBELL. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. CAMPBELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CAMPBELL. I further ask unanimous consent that amendments Nos. 3370 and 3371 be considered and accepted en bloc. This is the Snowe-Reid amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendments en bloc.

The amendments (No. 3371 and No. 3370, as modified, as amended) were agreed to en bloc.

Mr. REID. I move to reconsider the vote.

Ms. MIKULSKI. I move to lay that on the table.

The motion to lay on the table was agreed to.

Mr. REID. I ask unanimous consent that Senator MIKULSKI be listed as a prime cosponsor of the amendment just agreed to.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 3354

Mr. CAMPBELL. Mr. President, I call for regular order with respect to amendment No. 3354, the DeWine amendment.

The PRESIDING OFFICER. The amendment is now pending.

Mr. CAMPBELL. I know of no further debate.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 3354) was agreed to.

Ms. MIKULSKI. I thought there was going to be——

Mr. CAMPBELL. It is my understanding this amendment has been accepted by both sides of the aisle.

Ms. MIKULSKI. I misunderstood the parliamentary situation. The Senator from Colorado is correct.

I ask unanimous consent that the RECORD show that had there been a recorded vote, I would have voted no.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CAMPBELL. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. CAMPBELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CAMPBELL. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Ms. SNOWE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Ms. SNOWE. Mr. President, I ask unanimous consent Senator MOSELEY-BRAUN and Senator GORDON SMITH be added as cosponsors of the Snowe-Reid amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Ms. SNOWE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. CAMPBELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CAMPBELL. Mr. President, I ask unanimous consent that the pending amendment be temporarily set aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 3372

(Purpose: To require a study of the conditions under which certain grain products may be imported into the United States, and to require a report to Congress)

Mr. CAMPBELL. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Colorado [Mr. CAMPBELL], for Mr. DORGAN, proposes an amendment numbered 3372.

Mr. CAMPBELL. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

SEC. . IMPORTATION OF CERTAIN GRAINS.

(a) FINDINGS.—The Congress finds that—

(1) importation of grains into the United States at less than the cost to produce those grains is causing injury to the United States producers of those grains;

(2) importation of grains into the United States at less than the fair value of those grains is causing injury to the United States producers of those grains;

(3) the Canadian government and the Canadian Wheat Board have refused to disclose pricing and cost information necessary to determine whether grains are being exported to the United States at prices in violation of United States trade laws or agreements.

(B) REQUIREMENTS.—

(1) The Customs Service, consulting with the United States Trade Representative and the Department of Commerce, shall conduct a study of the efficiency and effectiveness of requiring that all spring wheat, durum or barely imported into the United States be imported into the United States through a single port of entry.

(2) The Customs Service, consulting with the United States Trade Representative and the Department of Commerce, shall determine whether such spring wheat, durum and barley could be imported into the United States through a single port of entry until either the Canadian Wheat Board or the Canadian Government discloses all information necessary to determine the cost and price for all such grains being exported to the United States from Canada and whether such cost or price violates any law of the United States, or violates, is inconsistent with, or denies benefits to the United States under, any trade agreement.

(3) The Customs Service shall report to the Committees on Appropriations and Finance not later than ninety days after the effective date of this act on the results of the study required by subsections (1) and (2), above.

Mr. CAMPBELL. Mr. President, this amendment asks the Customs Service to conduct a study regarding Canadian wheat. It has been agreed to by both sides. I urge its adoption.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

The amendment (No. 3372) was agreed to.

Mr. CAMPBELL. Mr. President, we are not making very good progress on this bill. We have only cleared 14 amendments and we have yet to deal with 43. I just say to all of the Senators that this is our second day. We have been in here since 9:30 this morning. I urge them to help us expedite the process of dealing with these outstanding 43 amendments. It may be a very long evening and into the day tomorrow if we don't start clearing some of them. So I ask the Senators are watching the proceedings to come to the floor and help us move these forward.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. THOMPSON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

PRIVILEGE OF THE FLOOR

Mr. THOMPSON. Mr. President, I ask unanimous consent that Ellen Brown of my staff be allowed floor privileges for the duration of the discussion of the amendment that I am about to bring up.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 3353

Mr. THOMPSON. Mr. President, we brought up yesterday amendment No. 3353 to the bill. Senator HARKIN had a situation he had to attend to yesterday, so we set it aside for the consideration of other business. Now Senator HARKIN is here. I think he will be joining us momentarily. We wanted to take advantage of the opportunity at this time to bring it up. I have been discussing this item with Senator HARKIN to see if we could reach an agreement. I don't believe that we are going to be able to.

Just basically, in summary, Mr. President, this has to do with procurement legislation. This is a very complex area. I can't think of an area that is more boring and more complex than the procurement laws. For that reason, the staff of our committee—the Governmental Affairs Committee, which has jurisdiction generally over the procurement laws—spent many, many hours on this subject. The last two Congresses have produced reform legislation that balances the interest in the procurement field between the government and those who are selling goods and services to the government.

This provision, section 642 in this Treasury-Postal bill, essentially is a procurement piece of legislation. It has to do with child labor. It essentially prohibits the Government from buying from those who use child labor any goods or services produced by child labor. That is a laudable goal. I support that. My amendment incorporates that goal. I point out that it is already against the law. But it is certainly fine with me if we put in this Treasury-Postal bill another law that says we cannot procure services or goods from those who do that sort of thing.

My problem, other than the fact that I believe the best way to legislate in this matter is to have hearings on a complex subject like this, is that it sets up a procedure that basically is overreaching and unfair, and probably unconstitutional. Because with regard to this area, as in no others, a contractor is required to sign a statement with the Government that will allow a Government official at any time at his discretion to come in and look at the books and records, or talk to the individual at any time at his discretion to see whether or not a child labor law has been violated. He should not be required to give up the fourth amendment rights in order to contract with the Government.

As I say, trafficking in those kinds of goods and services is against the criminal law. There is provision that prohibits such immoral activity by that company when dealing with the Federal Government as it is. But it certainly does not call for an abrogation of rights that we otherwise hold near and dear.

It says that the Secretary of Labor shall publish a list of items that might have been produced by child labor. And then the contractor has to certify that he is not using any of those items. Evidently, it is difficult to determine sometimes whether or not child labor has been used. The Government's only responsibility is to determine whether or not they might have been used. And, yet, the contractor is required to certify that they have not been used.

I am afraid this is a Catch-22 with regard to people in good faith who are out trying to do the right thing and certainly would not consider using child labor; but would allow unlimited access and unfettered access, under the language of this statute as it is now written, and would allow any Government official to come in and have unlimited access to books and records.

One other feature of this provision that I think is erroneous is the exception. This does not apply to countries that have signed NAFTA, for example. There are a couple of other exceptions. But I will just concentrate on that.

If a foreign country has signed the NAFTA agreement, then presumably companies of that country do not have this law applied to them.

We are focusing in on our own companies. We signed NAFTA. But we are focusing in on our own companies requiring this kind of intrusion with regard to our own contractors, and we are not applying the same standard to contractors of another country who might be supplying child labor.

I don't think that is right. I don't think that is fair. I do not want to make a mountain out of a molehill.

I think this is important. I feel a responsibility, as chairman of the Governmental Affairs Committee, to bring this to the attention of the Senate, and simply say that in matters that are this complex that require a balancing of interests, we should go through the committee process.

Senator GLENN had a piece of legislation that we considered last year. We

have had the Clinger-Cohen Act, and lots and lots of working hours put into this in trying to reach the right balance.

We should not come in with a provision in an appropriations bill that basically upsets that balance and places new responsibilities, new requirements, new intrusions on contractors that in the wisdom of their deliberations the committees, after considering this thing for years, have not decided to do.

I respectfully urge the support of my colleagues with regard to my amendment.

I yield the floor, Mr. President.

Mr. CAMPBELL. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. WELLSTONE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CAMPBELL. Mr. President, I reserve the right to object. I will not object, but if the Senator will hold off just a moment. Apparently, we cannot find our copy of the amendment.

Mr. WELLSTONE. Mr. President, let me supply a copy.

Mr. CAMPBELL. I thank the Senator. If he would like to proceed, I have the amendment.

The PRESIDING OFFICER. The Senator from Minnesota.

AMENDMENT NO. 3373 TO AMENDMENT NO. 3362

(Purpose: To prevent Congress from enacting legislation which fails to address the legislation's impact on family well-being and on children.)

Mr. WELLSTONE. Mr. President, I send this second-degree amendment to the Abraham amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Minnesota [Mr. WELLSTONE] proposes an amendment numbered 3373 to amendment No. 3362.

Mr. WELLSTONE. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of the amendment insert the following:

SEC. . FAMILY WELL-BEING AND CHILDREN'S IMPACT STATEMENT.

Consideration of any bill or joint resolution of a public character reported by any committee of the Senate or of the House of Representatives that is accompanied by a committee report that does not contain a detailed analysis of the probable impact of the bill or resolution on family well-being and on children, including whether such bill or joint resolution will increase the number of children who are hungry or homeless, shall not be in order.

Mr. HARKIN. Mr. President, parliamentary inquiry?

The PRESIDING OFFICER. The Senator from Iowa is recognized.

Mr. HARKIN. Parliamentary inquiry. Before the Senator from Minnesota starts, what is the order of precedence at the desk right now, of amendments? What amendment are we on right now?

The PRESIDING OFFICER. We are on the Wellstone amendment to the Abraham amendment.

Mr. HARKIN. Further parliamentary inquiry, I thought we were on the Thompson amendment.

The PRESIDING OFFICER. That amendment has been temporarily set aside.

Mr. HARKIN. I understand. Thank you, Mr. President.

Mr. WELLSTONE addressed the Chair.

The PRESIDING OFFICER. The Senator from Tennessee.

Mr. WELLSTONE. Mr. President, do I have the floor? I believe I do.

The PRESIDING OFFICER. The Senator from Tennessee is recognized.

Mr. THOMPSON. I was not aware the amendment was set aside. I called it up. No one moved that it be set aside that I am aware of. Maybe I am mistaken. I thought we were on it. Senator HARKIN is prepared to address it.

Mr. WELLSTONE. Mr. President, I ask for the regular order.

The PRESIDING OFFICER. The Senator from Tennessee could call for the regular order, which would bring his amendment back.

Mr. THOMPSON. I call for the regular order, Mr. President.

Mr. WELLSTONE. We have two different views. Might I ask what regular order is? Is regular order the Abraham amendment that I have now second-degreed? Or not? I was under the impression that it was.

AMENDMENT NO. 3353

The PRESIDING OFFICER. The regular order is the underlying Thompson amendment. When we finish that, we will return to the amendment of the Senator from Minnesota.

Mr. WELLSTONE. I thank the Chair and I thank my colleagues.

The PRESIDING OFFICER. The Chair recognizes the Senator from Iowa.

Mr. HARKIN. Mr. President, I apologize to my friend and colleague from Minnesota. Senator THOMPSON and I were prepared to engage in some colloquies and debates and things on this amendment. I was surprised. I thought it had been called up. I apologize to my friend from Minnesota. We were scheduled to start this debate on the issue of child labor.

Mr. President, the Thompson amendment, which is the pending amendment, seeks to strike from the bill a provision that was incorporated at the committee level—subcommittee level and committee level—by unanimous consent. I don't know of any votes that were held on it. It seemed to be adopted overwhelmingly. No one raised any questions about it in full committee or anything like that.

The provision deals with setting some parameters on procurement policy for the Federal Government, to the maximum extent possible to preclude the Federal Government from purchasing items made by forced or indentured child labor.

I hardly know where to begin to respond to some of the issues raised by my friend from Tennessee, but let me attempt to start here. First of all, right now it is true that there are certain laws that we have that cover child labor in this country. But that gets to the point where if something happens, then you can take someone to court and you can fine them and debar them and all that. There is a long process and procedure for that.

What this provision that was put in the committee bill seeks to do is to set up a structure to try to avoid or to preclude this from happening in the first place. So that those who sell to the Federal Government would be on notice that, first of all, there is a list of items that would be promulgated—published by the Department of Labor in consultation with the Department of State and Department of the Treasury—a list of items which would be very small in number because there are not that many items, a list of items that have historically and traditionally been made with the use of forced or indentured child labor; that if you are a seller to the Federal Government and if you are procuring or selling those kinds of items—like hand-knitted carpets, for example, or certain leather items, some apparel, rattan furniture, things like that—where the Department of Labor over the last 4 years in studying this issue has issued about four volumes on the use of forced and indentured child labor and the products that are made and that type of thing. These are very extensive studies that are made by the Department of Labor. What this provision in the bill does is it sets up a list. They put out a list. Then, if you are selling to the Federal Government, you check a little box that you attest—''attestation'' they call it—you attest that the item that you are selling to the Federal Government was not made using forced or indentured child labor. That is basically it.

The list is necessary for two reasons. First, it would narrow the scope to only suspect industries, thus preventing a sort of widespread kind of provision or a burdensome requirement on industries where the use of forced or indentured child labor does not occur. For example, I heard some mention made of Boeing aircraft. Boeing aircraft does not make things made by forced or indentured child labor. There has never been a scintilla of evidence to show that, so none of their products would be on the list. So we narrow the scope right away to just a few suspect industries.

Second, the list is necessary because procurement officers need guidelines to enforce the intent of the legislation. Again, this list would be compiled based on the four child labor studies already released by the Department of Labor. Furthermore, the only companies that would be affected by this are

ones that sell an item that appears on the list. If you don't sell an item that appears on the list, you will not be affected by this. You would not have to attest; you would not have to check the box and attest that the item was not made by forced or indentured child labor if you are not even on the list. Boeing and all those wouldn't even be on the list, so they would not have to check the box. That is the first thing. We keep it narrow, and that is why we have the list.

Mention was made by the Senator from Tennessee about the Fair Labor Standards Act, that we already have this law. I say to the Senator from Tennessee that this law doesn't cover U.S. embassies abroad purchasing goods. For example, we could have an embassy, say in Pakistan, India, or whatever country, buying glassware or buying hand-knitted carpets or buying rattan furniture—I mentioned that—but they are not covered by this at all. I would like to have them covered by it. That is the intent of the provision that is in the committee bill. They are not covered by it. They would be covered by this. U.S. law, the Fair Labor Standards Act applies to the United States, but not to other countries. That is why this provision is necessary.

These are not new requirements, as I have said before and in private conversation with the Senator from Tennessee. There are similar requirements for companies that sell to the Armed Forces. I will get into that in a second. Even though it has to do with different types of contracts, they are similar. I think there is a difference without a distinction, but they are similar, and I will get into that in a second.

They said it would be duplicative. It is not really duplicative. Forced and indentured child labor is already illegal in interstate commerce, that is true, but what I am seeking to do, for debarment purposes, and what this amendment will do is have them attest up front that they are not using child labor. There are no provisions, as I understand, in law for that at this time.

Next, there was a question raised about the constitutionality of the provision. It requires a contractor to agree to allow official access to the records of the employees and premises. As I said, we already have such a provision, and as I said, we discussed that in private.

FAR, title 10 of Armed Forces, 10 U.S.C. section 2313 says:

Agency authority. Section 2313, examination of records of contractor.

(1) The head of an agency, acting through an authorized representative, is authorized to inspect the plant and audit the records of:

(A) a contractor performing a cost reimbursement, incentive, time and materials, labor hour or price redeterminable contract or any combination of such contracts made by that agency under this chapter and,

(B) a subcontractor performing any cost reimbursement, incentive, time and materials, labor hour or price redeterminable subcontract or any combination of such contracts under a contract referred to in subparagraph (A).

The head of an agency, acting through himself or through an authorized representative can already have access to premises and to records under Armed Forces procurement law, and that is under FAR.

I understand this has to do with different types of contracts. That is OK, but that is, I think, a difference without distinction. It may be a time reimbursable or cost reimbursement or labor hour or price redeterminable contract. It is all fine and good, but I don't think that is really a distinct difference with a contract that provides goods or services to the Federal Government. So I say I don't think we have any kind of a constitutional problem there.

Senator THOMPSON did raise, I believe, a good point, and I am going to correct that with a technical amendment, to track the wording that is already in the FAR and in title 10. I am going to make it specifically that it is the head of an agency, acting through an authorized representative, so that not just anyone would have access, but that it would have to come from the head of an agency.

There is another question that the Senator from Tennessee raised, and that is, why do we exempt NAFTA or WTO countries. I say to my friend from Tennessee, I wish we didn't have to, but I am told we have to because it is a treaty that we signed on NAFTA and WTO. My amendment will exempt those countries that are parties to these two agreements. I am not happy about it, but it is the current U.S. law. It is treaty, and I guess we have to adhere to it, as I understand. We can't change this law or negotiate new procurement agreements.

I will just point out that the Committee on Government Procurements, the parties to this under WTO and NAFTA, basically are countries we really don't have a problem with—Austria, Belgium, Denmark, Germany and places like that we really don't have much of a problem. The only problem that we do have, I say, in NAFTA is perhaps with Mexico. But then, again, that is part of the NAFTA agreement and, quite frankly, we are stuck with that for right now on that issue.

The Federal Acquisition Regulations govern acquisition by executive branch agencies. Much of this regulation implements various statutes and Executive orders. My amendment is not unique under the FAR in seeking to implement U.S. standards and policies.

For example, Federal agencies cannot acquire supplies or services originating from sources within or that are located in or transported from or through North Korea, Cuba, Libya, Iran, Sudan and Iraq. We already have that.

In addition, my amendment is not unique in seeking to address a policy concern, such as protecting domestic industries through Federal procurement legislation. For example, the Buy America Act provides an advantage to U.S. domestic producers through the competitive bidding process.

As a matter of fact, I include Senator THOMPSON's amendment as part of my provision already. However, I crafted my provision to be more targeted. My provision does treat forced or indentured child labor differently than other procurement regulations because of the illegal and hidden nature of the act it seeks to prevent.

For example, all goods shipped to the United States must carry a country of origin label. No such provision in current Federal procurement regulations exist for forced or indentured child labor. Likewise, the Buy America Act model is different because it operates through the bidding process. No such procedure exists for forced or indentured child labor. You don't know where the forced or indentured child labor is.

Therefore, it was necessary to create a special targeted mechanism to address this issue in a meaningful way that is the least burdensome to contractors. In short, to accomplish this, the provision that is in the bill, one, calls on the Secretary of Labor, in consultation with the Secretaries of Treasury and State, to draft a list of items which they feel historically has been made with forced or indentured child labor. That keeps the perspective narrow.

Next, this provision requires the contractor to sign an attestation that their products were not made with forced or indentured child labor and, yes, to provide access to records, premises and persons for a lawful investigation arising from allegations that forced or indentured child labor was used to produce the product.

Again, I read that other one that is already in Armed Forces, that the head of an agency, acting through an authorized representative, can inspect a plant and audit the records of, et cetera.

Lastly, this provision provides a debarment option for 3 years for making a false certification. In other words, if you certify that you did not use child labor, and inspections prove otherwise, then you could be debarred for up to 3 years for making a false certification.

Senator THOMPSON's proposal, his amendment, is not targeted enough for two reasons: One, procurement officers need specific information in order to apply a statute. Senator THOMPSON's amendment will take away the list which gives contract officers specific areas to look for forced or indentured child labor problems. By removing this self-certification, and the threat of debarment for a false certification, you ensure that the provision will never be effectively enforced because the Federal Government may never be able to track the forced or indentured child labor practices of all of its contractors, much less ever investigating them.

Quite simply, I do not believe that signing a simple attestation, if you are providing items to the U.S. Government which appear on a list of problem

items, will prove a very difficult burden. It will be burdensome if you are illegally employing children. Then it will be burdensome. But if you are not, then it will not be. So again, this provision seeks to deter child labor, stopping it before it happens, or before the U.S. Government buys goods made with forced or indentured child labor.

Obviously, the Thompson amendment seeks to debar those who have been convicted or fined for using child labor. Nothing wrong with that. But that is included in the provision that is in the bill already. But what he carves out is a provision that seeks to prevent it from happening in the first place by saying that if you use it, the U.S. Government just simply will not do business with you.

I say, the difference might be that Senator THOMPSON's approach is: ''We'll do business with you. Now, if we can take you in and prove through a lengthy court process and stuff, then we'll debar you.'' But mine comes up front and says, ''Look, if you are using child labor, and you are on this list, you are making these items, you have to attest that you are not using child labor.'' That right away puts them on notice—puts them on notice that they are going to be in for some problems if they are on that list and that they would be subject to a head of an agency to come in and inspect them and inspect their records to see whether or not they actually were using child labor.

Mr. CAMPBELL. Would the Senator from Iowa yield for a question?

Mr. HARKIN. Yes, I would be glad to, without losing my right to the floor.

Mr. CAMPBELL. The child labor issue is important to all of us. I point out something I mentioned awhile ago. I say to the Senator, we have 43 amendments yet to clear. I wonder if the Senator would agree to a time limit on the debate. I talked to Senator THOMPSON. He is agreeable to a 20-minute time debate equally divided on both sides. Would the Senator from Iowa also agree with that?

Mr. HARKIN. How much time?

Mr. CAMPBELL. Twenty minutes equally divided; 10 minutes on each side.

Mr. HARKIN. I will consider that. Just a second. Let me finish my statement. It does not sound totally unreasonable.

Mr. CAMPBELL. Thank you.

Mr. HARKIN. Again, you might ask, well, why should they have to look for this? Why should procurement officers have to be concerned about this? Under 48 CFR 9.406–2, ''Causes for Debarment,'' there is a whole list of things that they should look for that they made. The ''Made in America'' inscription that I have mentioned, violations of the Drug-Free Workplace Act—there is a whole list of things about which they have to be concerned.

The fact is, they do not have to be concerned about child labor right now. It is not even a concern of theirs. So we find ourselves in a peculiar position that procurement laws for the Federal Government say that you have to meet certain standards—a drug-free workplace; you have to have a ''Made in America'' inscription if it is made in America; you have to have country of origin—but you do not have to be worried about child labor. I find that rather odd.

What this all really arises out of is that in the 1930 Tariff Act, a provision was added that barred the entry into this country of any item made with forced or indentured labor. That has been part of our law since 1930.

Well, forced or indentured labor—what does that mean? It has been interpreted to mean prison labor. There are other forms of forced or indentured labor. A year ago I wrote a letter to the Department of the Treasury asking for a clarification of this: Did forced or indentured labor cover forced or indentured child labor? The letter they wrote back was sort of: ''Well, yes, we think it does because we say 'forced or indentured labor.'' ' We didn't specify it has to be adult labor, but it has never really been clarified. So we have sought to clarify that.

Again, procurement officers have to take into account they have to be aware of whether or not something is made by prison labor. Can the Federal Government buy items made by prison labor? The answer is no, absolutely not. Can the Federal Government today buy items made by forced or indentured child labor? The answer is yes. We do it all the time overseas. We buy carpets, we buy furniture, we buy glassware, we buy leather. We buy a lot of items made by forced or indentured child labor. And that is what this provision seeks to get to.

The Fair Labor Standards Act does not reach that far, does not reach overseas, does not reach to these items. Our procurement policies do not reach to our embassies abroad, for example. They are part of the Federal Government. They are part of the executive branch. They do buy items. But right now they are blind as to whether something is made by forced or indentured child labor. That is why this provision is in the bill.

Lastly, Mr. President, I just point out that the administration is in support of this section, 642, of the Treasury-General Government appropriations bill. I have a letter here from Secretary Alexis Herman saying that this provision, a prohibition against the Federal Government's purchase of Federal products made by forced or indentured child labor ''would establish a system to ensure that contractors take steps to avoid providing products to the Government that have been mined, produced, or manufactured using forced or indentured child labor.

The Administration agrees that we should tap the purchasing power of the U.S. government in our efforts to eliminate egregious forms of child labor. In addition, the President's FY 1999 Budget includes an $89 million increase to address both international and domestic child labor abuses. We believe [this] amendment, coupled with our FY 1999 initiatives, will help reduce the prevalence of these forms of child labor.

The Office of Management and Budget advises that there is no objection to the presentation of this report from the standpoint of the Administration's program.

Again, I think that the provision stands foursquare on constitutional grounds. I do not believe there is any constitutional problem with it. I do not believe it runs far afield of provisions that we already have in present procurement law. It simply identifies one aspect, that is, like the ''Made in America'' or the ''drug-free workplace'' or ''prison labor.'' It identifies another one, and that is ''forced or indentured child labor'' as one of those items that we want to put up front and to have those who seek to sell items to the Federal Government attest that they are not using forced or indentured child labor in the provision of those goods.

Again, this will be based upon the list. There will be a list, yes, publication of a list of prohibited items.

The Secretary of Labor, in consultation with the Secretary of Treasury and the Secretary of State, shall publish in the Federal Register every other year a list of items that such officials have identified that might have been mined, produced, or manufactured by forced or indentured child labor.

So we work from that list. And that list has to be published.

The head of an executive agency shall include in each solicitation of offers for a contract for the procurement of an item included on a list published under subsection (b) [the list I just mentioned] the following clauses:

Again, the clauses stating that the contractor has not indeed used forced or indentured child labor in the production of any of the items that are on that list.

Mr. President, I yield the floor.

Mr. KOHL. Mr. President, I rise in opposition to the amendment by the Senator from Tennessee. The Senator, I believe, shares the concerns of those of us who drafted section 642—we want to make sure the Federal government does not buy goods made with child labor. However, his amendment, by eliminating the list of suspect goods that Section 642 requires the Department of Labor to make, will make it very difficult for Federal contractors to know whether they are buying a product manufactured by children.

Section 642 requires the Department of Labor print a list of products that may have been produced with forced child labor. Any federal contractor that sells these products to the government will be put on notice that the items he or she sells might have been produced by child labor. Those businesses then will have to check their suppliers and get assurances that they are not illegally selling a goods produced by children to the government.

The importance of this list of products that are potentially made with

child labor cannot be underestimated. This list will allow federal agencies to focus on specific industries that use child labor most often. It will allow us to be vigilant in our efforts to stop the procurement of such goods. When the government buys soccer balls for the West Point soccer team, we need to be sure they were not sewn together by children. When the government buys tea for the cafeterias and commissaries of federal facilities, we ought to know those leaves were not picked by children.

I want to commend Senator HARKIN for his tireless work on behalf of the exploited children of the world. By putting in place a process by which Federal contractors can know about and be held accountable for products they sell to the government, Senator HARKIN has done a significant patriotic act. He has ensured that the United States is not in any way sanctioning, promoting, or even tolerating shameful exploitation of children.

I urge my colleagues to vote against the Thompson amendment—and to vote against diluting protections against government purchase of goods made with child labor.

Mr. THOMPSON. Mr. President, I say to my colleague from Colorado that I think I will need perhaps 5 minutes.

Mr. CAMPBELL. If the Senator from Iowa is willing to agree to a time agreement, I will make a unanimous consent request.

Mr. HARKIN. I have a couple of other items, then I will be ready to yield.

Mr. CAMPBELL. Would 10 more minutes be enough?

Mr. HARKIN. As I said, after I get the floor again.

Mr. CAMPBELL. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. THOMPSON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. THOMPSON. Mr. President, a couple of comments with regard to the remarks of my distinguished colleague from Iowa.

First of all, let's keep in mind my amendment makes the use of child labor grounds for disbarment and suspension. We need to keep that in mind. We set it out in bold type. It is already against the law, and now we are saying in addition to that you can't do business with the Federal Government if you engage in that kind of activity. So we get that out of the way to start with.

That is not the issue. The issue here is whether or not we want to set up a mechanism whereby some Federal official has unlimited access to your books and records and persons. Now, this whole area was entirely rewritten in 1994. Senator GLENN's bill, the Federal Acquisition Streamlining Act, provided for very circumspect, specific audit authorities for agencies, and GAO provided some subpoena authority in a very limited way. All this was debated and considered on a bipartisan basis and the competing interests were balanced out over a period of several days, and we came up with a law that we have now.

What we have here in the bill that we are seeking to amend departs from that substantially. There can be no comparison with the bill currently in force with existing law. Existing law under section 2313, chapter 137, procurement generally, is so long and detailed that I am not going to burden the record by going into it, but suffice it to say that there are very limited circumstances. Only certain kinds of contracts, certain circumstances are dealt with where subpoena authority is issued under certain kinds of contracts—limited authority, over contracts over $100,000.

Compare that with what we have before us in the bill today that says a clause that obligates the contractor to cooperate fully to provide access for it says any official—I understand that will be changed—but you must agree to provide access for some Government official of the United States to the contractors' records, documents, persons, or premises, if requested by the official, for the purpose of determining whether forced child labor is being issued. It is a total fishing expedition. You are not only going to have to give unlimited access to your books and records, but unlimited access to your person.

There is nothing I know of like this in law, much less procurement law. We are really doing something substantially different here. We can cover the child labor situation without opening up Pandora's box and running contractors away from us.

One of the reforms that Senator GLENN and others carried out had to do with the fact that we want to bring more contractors in. It is better for the taxpayer to have more competition, more people coming in to compete for these things.

My distinguished friend from Iowa suggests that we need to have a certification on the front end. Prior committee action got rid of all certification under the Governmental Affairs Committee and armed services jurisdiction for the simple reason, first, if you are going to violate the law, if you are going to use child labor, you are not going to certify something on the front end. It will not make you quit doing it.

Secondly, we got tired of raising so many hoops and intruding so much that we were discouraging people from coming in and contracting with the Government. Therefore, costs of things are higher than they ought to be. This whole area has been addressed. It cannot even be discussed in a limited period of time because it is so extensive.

But with regard to the question of opening up books and records and persons by some anonymous Federal official to see whether or not you might have done something wrong, and when they get in there they are not limited to look just for the thing that you say they are looking for. Their eyes can gaze on whatever it is they are to be gazed upon.

When you deal with something like that, you are dealing with very, very, important constitutional rights and nobody is going to put up with that. Nobody is going to contract or agree to do business with the Government if they have that kind of burden. It has been well thought out, it has been considered, it has been deliberated upon for a long, long time, and we should not address something this important and this complex in this fashion.

I respectfully urge this amendment be adopted.

Mr. HARKIN. Mr. President, this provision is not unconstitutional and does not interfere with the Constitution, and it does not interfere with the exercise of any fourth amendment right a Government contractor might have.

The provision makes it possible for the Federal Government to ensure that it does not purchase items produced with forced or indentured child labor. Without ready Government access to records, workers and worker places, meaningful enforcement would be impossible.

Now this principle applies in a whole range of worker protection laws. Now there is no need for a statutory probable cause requirement or a statutory procedure for challenging a search by a Government agency. A contractor who believes that a Federal agency had no probable cause to inspect his business would be free to refuse entry to the agency. It is a constitutional right. The agency would then be required to seek a warrant from a court, and if necessary, to ask the court to enforce the warrant. In this way, the court would ensure that the fourth amendment was followed.

Lastly, this is how the process works under comparable statutes, like the Occupational Safety and Health Act. Applying the fourth amendment, the Supreme Court has held that OSHA must show probable cause or the legal equivalent if an employer refuses OSHA entry. There is no statutory probable cause requirement and no statutory procedure for challenging a search. Government agencies can be expected to develop reasonable and neutral criteria for seeking access. They would do so in order to comply with the fourth amendment which the courts will apply.

OSHA, for example, has adopted such criteria, although the Occupational Safety Health Act does not prescribe this, and they have been upheld by the courts. Only Government agencies with a legitimate need for access would be entitled to access. The access provision in section 642 makes clear that the contractors' obligation is to provide access only to the head of an agency, a Federal officer, and only for the purpose of

determining whether forced indentured child labor was used.

So there is no reason to believe this provision would be invoked by an official acting without authority. But, if it happened, the contractor could not be sanctioned for refusing to cooperate, for example.

The fourth amendment may not apply in these certain cases in any case until a contractor's consent to providing access is required to provide access. The accession provision is intended to be incorporated in a Government contract. The contract provision would be required only for companies who wish to supply the Federal Government with an item from a list of items that may have been introduced by forced or indentured child labor.

I keep coming back to that. The Senator raises the specter that you will have the Government people all of a sudden going into Boeing and places like that. That won't happen, first of all, because they won't have anything on the list. So they won't have that. There will not be items that have been identified produced by forced or indentured child labor. Companies which choose to supply such items and which accept the terms of the contract have agreed to provide access.

As I said, there is no constitutional problem with this provision whatsoever.

Now, again, Mr. President, what we do have a problem with, and what this amendment really gets to, and for which there is no provision in law, is, when an arm of the Federal Government, such as the executive branch, acting through embassies overseas, procures items and those items are identified as having been produced by forced or indentured child labor, there is nothing that we can do about that—unless we adopt this provision, of course. And this is a good and reasonable place for this provision to be, in this appropriations bill, since we are providing appropriations for the running of the Government. So this is an appropriate place for the amendment.

I think there is some urgency to this also. The urgency is that we are gaining more and more information around the world about the use of forced or indentured child labor. The United States has, quite appropriately—and I am happy to see it—taken a forward position on trying to do away with forced and indentured child labor. I mentioned the letter from the Secretary of Labor indicating that the President had already asked for, I think, $89 million in the budget to address child labor abuses both here and abroad. We participate heavily in IPEC, the International Program for the Elimination of Child Labor, which has been increased this year from $30 million, up from $3 million.

So the U.S. Government has—and also through our work on the International Labor Organization, UNICEF, and others, we have been taking a very strong position against forced indentured child labor, as we should. But if one arm of our Government overseas is openly procuring items made by forced and indentured child labor, what kind of a signal does that send? So that is what this provision in the bill seeks to end, and would end, if this provision remains in.

Now, the things that the Senator from Tennessee is talking about we already incorporate in our amendment. There is a debarment procedure provision in the bill. That is already there. That debarment procedure is already there. What the Senator's amendment does is, it takes away those preliminary steps of publishing a list and then say to a procurement officer, look out for these items, and if you are buying one of these items, have that company attest on the form that they are not using forced and indentured child labor. If they do, then they are agreeing that you can, as we have under FAR—that the head of an agency is authorized to inspect the records of that company.

As I said earlier, the Senator from Tennessee, I think, raised one point that I think was very legitimate, and that was in the original amendment. It says, on page 99, the words ''any official of the United States.'' Quite frankly, that is too broad. As we look at the FAR and at title X for the Department of Defense, it uses the words ''the head of an agency.'' So I have a perfecting amendment that I am going to offer that would strike out ''any official of the United States'' and insert in lieu thereof ''the head of the executive agency or the inspector general of the executive agency.''

AMENDMENT NO. 3374 TO AMENDMENT NO. 3353

(Purpose: To provide a substitute that limits the scope of the requirement relating to inspection of a contractor's records)

Mr. HARKIN. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Iowa [Mr. HARKIN] proposes an amendment numbered 3374 to amendment No. 3353.

Mr. HARKIN. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

Strike out all after SEC. 642.'' and insert in lieu thereof the following:

PROHIBITION OF ACQUISITION OF PRODUCTS PRODUCED BY FORCED OR INDENTURED CHILD LABOR.

(a) PROHIBITION.—The head of an executive agency may not acquire an item that appears on a list published under subsection (b) unless the source of the item certifies to the head of the executive agency that forced or indentured child labor was not used to mine, produce, or manufacture the item.

(b) PUBLICATION OF LIST OF PROHIBITED ITEMS.—(1) The Secretary of Labor, in consultation with the Secretary of the Treasury and the Secretary of State, shall publish in the Federal Register every other year a list of items that such officials have identified that have been mined, produced, or manufactured by forced or indentured child labor.

(2) The first list shall be published under paragraph (1) not later than 120 days after the date of the enactment of this Act.

(c) REQUIRED CONTRACT CLAUSES.—(1) The head of an executive agency shall include in each solicitation of offers for a contract for the procurement of an item included on a list published under subsection (b) the following clauses:

(A) A clause that requires the contractor to certify to the contracting officer that the contractor or, in the case of an incorporated contractor, a responsible official of the contractor has made a good faith effort to determine whether forced or indentured child labor was used to mine, produce, or manufacture any item furnished under the contract and that, on the basis of those efforts, the contractor is unaware of any such use of child labor.

(B) A clause that obligates the contractor to cooperate fully to provide access for the head of the executive agency or the inspector general of the executive agency to the contractor's records, documents, persons, or premises if requested by the official for the purpose of determining whether forced or indentured child labor was used to mine, produce, or manufacture any item furnished under the contract.

(2) This subsection applies with respect to acquisitions for a total amount in excess of the micro-purchase threshold (as defined in section 32(f) of the Office of Federal Procurement Policy Act (41 U.S.C. 428(f)), including acquisitions of commercial items for such an amount notwithstanding section 34 of the Office of Federal Procurement Act (41 U.S.C. 430).

(d) INVESTIGATIONS.—Whenever a contracting officer of an executive agency has reason to believe that a contractor has submitted a false certification under subsection (a) or (c)(1)(A) or has failed to provide cooperation in accordance with the obligation imposed pursuant to subsection (c)(1)(B), the head of the executive agency shall refer the matter, for investigation, to the Inspector General of the executive agency and, as the head of the executive agency determines appropriate, to the Attorney General and the Secretary of the Treasury.

(e) REMEDIES.—(1) The head of an executive agency may impose remedies as provided in this subsection in the case of a contractor under a contract of the executive agency if the head of the executive agency finds that the contractor—

(A) has furnished under the contract items that have been mined, produced, or manufactured by forced or indentured child labor or uses forced or indentured child labor in mining, production, or manufacturing operations of the contractor;

(B) has submitted a false certification under subparagraph (A) of subsection (c)(1); or

(C) has failed to provide cooperation in accordance with the obligation imposed pursuant to subparagraph (B) of such subsection.

(2) The head of the executive agency, in the sole discretion of the head of the executive agency, may terminate a contract on the basis of any finding described in paragraph (1).

(3) The head of an executive agency may debar or suspend a contractor from eligibility for Federal contracts on the basis of a finding that the contractor has engaged in an act described in paragraph (1)(A). The period of the debarment or suspension may not exceed three years.

(4) The Administrator of General Services shall include on the List of Parties Excluded

from Federal Procurement and Nonprocurement Programs (maintained by the Administrator as described in the Federal Acquisition Regulation) each person that is debarred, suspended, proposed for debarment or suspension, or declared ineligible by the head of an executive agency or the Comptroller General on the basis that the person uses forced or indentured child labor to mine, produce, or manufacture any item.

(5) This subsection shall not be construed to limit the use of other remedies available to the head of an executive agency or any other official of the Federal Government on the basis of a finding described in paragraph (1).

(f) REPORT.—Each year, the Administrator of General Services, with the assistance of the heads of other executive agencies, shall review the actions taken under this section and submit to Congress a report on those actions.

(g) IMPLEMENTATION IN THE FEDERAL ACQUISITION REGULATION.—(1) The Federal Acquisition Regulation shall be revised within 180 days after the date of enactment of this Act—

(A) to provide for the implementation of this section; and

(B) to include the use of forced or indentured child labor in mining, production, or manufacturing as a cause on the lists of causes for debarment and suspension from contracting with executive agencies that are set forth in the regulation.

(2) The revisions of the Federal Acquisition Regulation shall be published in the Federal Register promptly after the final revisions are issued.

(h) EXCEPTION.—(1) This section does not apply to a contract that is for the procurement of any product, or any article, material, or supply contained in a product, that is mined, produced, or manufactured in any foreign country or instrumentality, if—

(A) the foreign country or instrumentality is—

(i) a party to the Agreement on Government Procurement annexed to the WTO Agreement; or

(ii) a party to the North American Free Trade Agreement; and

(B) the contract is of a value that is equal to or greater than the United States threshold specified in the Agreement on Government Procurement annexed to the WTO Agreement or the North American Free Trade Agreement, whichever is applicable.

(2) For purposes of this subsection, the term ''WTO Agreement'' means the Agreement Establishing the World Trade Organization, entered into on April 15, 1994.

(i) APPLICABILITY.—(1) Except as provided in subsection (c)(2), the requirements of this section apply on and after the date determined under subsection (2) to any solicitation that is issued, any unsolicited proposal that is received, and any contract that is entered into by an executive agency pursuant to such a solicitation or proposal on or after this date.

(2) The date referred to is paragraph (1) is the date that is 30 days after the date of the publication of the revisions of the Federal Acquisition Regulation under subsection (g)(2).

Mr. HARKIN. Mr. President, what this perfecting amendment does, very simply, is it takes the suggestion of the Senator from Tennessee and strikes out ''any official of the United States'' and inserts in lieu thereof ''the head of the executive agency or the inspector general of the executive agency.''

Secondly, it strikes the word ''might'' from page 99, because in the original language it said that they shall publish in the Federal Register every other year a list of items that ''might have been mined. . ..'' We strike that out. That is a great suggestion, to say that they have to publish a list of items that such officials have identified that ''have been mined, produced, or manufactured by forced or indentured child labor.''

So this perfecting amendment tightens up my original amendment in two ways. It provides that only the head of an agency or the inspector general of that agency may be the one to do the inspection or authorize the inspection. Secondly, it says that the published list can only be of items that have been identified as having been mined, manufactured, or produced by forced or indentured child labor.

The rest of the provision remains the same as it is in the bill, but this tightens up those two provisions.

Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. LOTT addressed the Chair.

The PRESIDING OFFICER. The majority leader.

Mr. LOTT. Mr. President, with regard to the Treasury-Postal Service appropriations bill, I know there are amendments that are pending. They are trying to work out something on that. I urge my colleagues on both sides of the aisle to agree to reasonable time limits, and let's have a vote. But I am directing my remarks now more to other Senators who are not on the floor who may have amendments.

We need to make it clear that we are going to finish this bill tonight. We should be able to be through by 6 o'clock. But we still have a number of amendments that have not been resolved and haven't been worked out, or accepted, or offered.

We are going to have to just keep going. That could mean another late night. The managers of the bill would like cooperation to get this completed. But we are either going to be having votes at 11 or 12 o'clock, or we are going to agree to some process whereby we can finish the amendments that are still out there and get final votes on them in the morning in a stacked sequence. We can agree to that. But one of the things that is required is that Senators who do want to offer amendments have to come over here and offer them.

I am going to talk with Senator DASCHLE. I believe that he will support me in supporting the managers. If at a certain hour tonight Senators have not offered their amendments and have not come over here to debate those amendments, we will go out of session, and all amendments that have been agreed to would be stacked in sequence if they have to have votes in the morning.

Once again, while this week has been a difficult week because of the sadness we have all experienced, everybody has tried to be understanding of that, but now we are beginning to get back into the old routine. We have far too many amendments left on the bill that really shouldn't be that difficult to finish.

I plead again with my colleagues to come over here and offer their amendments. Let's get an agreement on how we are going to handle them and get votes on those amendments. If we don't get amendments, I can force votes tonight at all hours of the night. I don't want to do that. But it is going to take some cooperation again.

Mr. President, do we have an agreement on how to dispose of the present amendment? Do Senator THOMPSON and Senator HARKIN have something worked out in terms of a time agreement on this, or do I just need to move to table everything right where we are?

Mr. THOMPSON. Will the leader yield?

Mr. LOTT. I am glad to yield.

Mr. THOMPSON. If the leader will give us just a moment, I think we can ask for the yeas and nays momentarily.

Mr. LOTT. That would be very helpful.

Mr. President, unless somebody seeks the floor, I observe the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. THOMPSON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. THOMPSON. In response to the leader's request, I ask my colleague from Iowa, is he agreeable to having an up-or-down vote on the Harkin amendment, immediately followed by an up-or-down vote on the Thompson amendment?

Mr. HARKIN. That is fine.

Mr. THOMPSON. I agree with that. Are we prepared to vote?

Mr. HARKIN. I am prepared to move forward with that agreement right now.

Mr. THOMPSON. I ask unanimous consent, pursuant to that understanding.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Chair informs Senators the yeas and nays have been ordered on the Harkin amendment.

Mr. THOMPSON. I ask for the yeas and nays on the Thompson amendment, and ask that vote occur immediately following that on the Harkin amendment.

The PRESIDING OFFICER. Without objection, it is so ordered. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. At this time, the question is on agreeing to the amendment offered by the Senator from Iowa.

The yeas and nays have been ordered.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. NICKLES. I announce that the Senator from North Carolina (Mr. HELMS) is absent because of illness.

I further announce that if present and voting, the Senator from North Carolina (Mr. HELMS) would vote ''no.''

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 46, nays 53, as follows:

[Rollcall Vote No. 244 Leg.]

YEAS—46

Akaka	Feinstein	Levin
Baucus	Ford	Lieberman
Biden	Glenn	Mikulski
Bingaman	Graham	Moseley-Braun
Boxer	Harkin	Moynihan
Breaux	Hollings	Murray
Bryan	Inouye	Reed
Bumpers	Jeffords	Reid
Byrd	Johnson	Robb
Cleland	Kennedy	Rockefeller
Conrad	Kerrey	Sarbanes
Daschle	Kerry	Torricelli
Dodd	Kohl	Wellstone
Dorgan	Landrieu	Wyden
Durbin	Lautenberg	
Feingold	Leahy	

NAYS—53

Abraham	Faircloth	McConnell
Allard	Frist	Murkowski
Ashcroft	Gorton	Nickles
Bennett	Gramm	Roberts
Bond	Grams	Roth
Brownback	Grassley	Santorum
Burns	Gregg	Sessions
Campbell	Hagel	Shelby
Chafee	Hatch	Smith (NH)
Coats	Hutchinson	Smith (OR)
Cochran	Hutchison	Snowe
Collins	Inhofe	Specter
Coverdell	Kempthorne	Stevens
Craig	Kyl	Thomas
D'Amato	Lott	Thompson
DeWine	Lugar	Thurmond
Domenici	Mack	Warner
Enzi	McCain	

NOT VOTING—1

Helms

The amendment (No. 3374) was rejected.

Mr. LOTT. I move to reconsider the vote.

Mr. BAUCUS. I move to lay it on the table.

The motion to lay on the table was agreed to.

Mr. LOTT. Mr. President, Senator DASCHLE and I are working with our colleagues on both sides of the aisle to identify the remaining serious amendments. I have here a list that looks like it is about 20, but I think that we can probably identify half a dozen or so amendments.

Senator DASCHLE, do you have some information on that?

Mr. DASCHLE. In response to the majority leader, we have, I think, four amendments that currently would require a rollcall vote. There are two of those four that may actually still get worked out, so I think we are getting relatively close to coming to closure on this bill. I hope all Senators who wish to offer amendments will stay on the floor because this could happen fairly quickly. I think it would be very helpful if you are right on the floor to offer the amendment. It would expedite our ability to complete our work on this bill.

Mr. LOTT. I thank Senator DASCHLE.

We have, it looks like, probably no more than two amendments left on our side that might require a vote. With regard to one of the four you identified, I believe Senator BAUCUS has an amendment. We are working very hard to see if we can't get some agreement on that right now.

For the information of Senators, with regard to schedule, we think the best thing to do is just keep going and not have a break for the mealtime because we think that actually might wind up wasting time. If we would stay on the floor and focus here, we could finish this by 8 o'clock and would be through with this bill and then could decide—Senator DASCHLE and I need to discuss further—then, exactly whether we are going to go to health care or go to the DOD appropriations bill. We could get on that tonight, and then that would be the final business for the week.

We need your cooperation. When you do offer an amendment, agree to a short time so we don't have to go straight to a motion to table. We want everyone to have a chance to explain their case. With your cooperation, we can finish this at 8 o'clock.

I also note there are some Senators who would like to be able to go to the funeral in the morning. If we could finish this at a reasonable hour tonight, we wouldn't have to have stacked votes in the morning. We tried very hard to not have a lot of late nights, but we are going to have to in order to finish this, but with your cooperation we could finish it in a couple of hours.

I urge Members to do that. I thank Senator DASCHLE. Let's keep this working and see if we can't get this down to no more than two or three votes.

Mr. THOMPSON. I ask the yeas and nays on the Thompson amendment be vitiated.

The PRESIDING OFFICER. Without objection, it is so ordered.

The PRESIDING OFFICER. The question is on agreeing to the Thompson amendment numbered 3353.

The amendment (No. 3353) was agreed to.

AMENDMENT NO. 3368

Mr. GRAMM. Mr. President, I enter a motion for reconsideration of the amendment numbered 3368.

The PRESIDING OFFICER. The Senator has that right.

Mr. GRAHAM. Is that motion debatable?

The PRESIDING OFFICER. The motion has been entered but it has not been made.

Mr. GRAHAM. I move to table the motion to reconsider.

The PRESIDING OFFICER. The motion is not before the body, so the motion to table would not be in order at this time.

Mr. WELLSTONE. What is the pending business?

AMENDMENT NO. 3373 TO AMENDMENT NO. 3362

The PRESIDING OFFICER. The pending business before the Senate is the Wellstone amendment numbered 3373.

Mr. WELLSTONE. If I could ask my colleague, I know Senator GRAHAM wants 10 seconds to dispose of an amendment, but I ask unanimous consent as soon as he does this that I then have the floor and go for a vote on my amendment.

The PRESIDING OFFICER. Is the Senator making a unanimous-consent request?

Mr. WELLSTONE. I am.

The PRESIDING OFFICER. The Presiding Officer, in his capacity as a Senator from the State of Michigan, objects.

Mr. WELLSTONE. Mr. President, the pending business is this amendment, correct, the second-degree amendment?

The PRESIDING OFFICER (Mr. SMITH of New Hampshire). The pending business is amendment No. 3373, the Wellstone amendment.

Mr. WELLSTONE. Let me explain this amendment and speak on it for a short period of time. I don't know that there will be a vote within the next 2 or 3 minutes, I say to colleagues.

Mr. President, my amendment, which is a second-degree amendment to the Abraham amendment, expands on what Senator ABRAHAM is trying to do. It applies to the Congress and not just to the administration. Furthermore, what my amendment says is that when the Congress prepares its report on family well-being —which I think is a real important concept; I think it is something that we should be about—the Congress also reports on the impact of our legislation on children.

The amendment doesn't strike the Abraham amendment. It expands on the amendment. I believe that my colleagues, if I am given a little bit of time, will want to support this.

Mr. President, I think the reason when we pass legislation out of committee, that in our report language we need to talk about the impact of children, is because of the reality of the lives of children in America. Part of our definition of family well-being, surely, has to do with parents, and we ought to make sure that parents are able to do their very best by their children, because when parents do their very best by their children, they do their very best by our country. It is also true if we are going to talk about parents, we have to talk about the impact of our legislation on children.

Mr. President, one out of every four children in our country under the age of 3 is growing up poor. One in three children will be poor at some point in their childhood. One in five children today under the age of 6 is poor today in America. One in three is a year or more behind in school. One in four children is born to a mother who did not graduate from high school. One out of every four children lives with only one parent. One out of every five children

lives in a family receiving food stamps. One out of every five children is born to a mother who received no prenatal care in the first 3 months of her pregnancy. One out of every seven children have no health insurance. One out of every eight children are born to teenage children. One out of every 12 children has a disability. One out of every 13 children is born at low birthweight. One out of every 25 children lives with neither parent. One out of every 132 children in America dies by the age of 1. And 1 in 680 children is killed by gunfire before the age of 20.

Let me do it a different way as to why I believe when we pass legislation we ought to talk about the impact of this legislation on children, and we ought to make it clear.

The PRESIDING OFFICER. We will have order in the Chamber.

Mr. WELLSTONE. I thank the Chair. I will say to my colleagues, if I don't get order, I will talk for a long time about this, because I don't think there is anything inappropriate about having a focus on the state of children in America.

So I hope that we can have order in the Chamber and I will be able to go on. I will take as long as necessary.

Mr. President, every day in America, one mother dies in child birth. Every day in America, three people under the age of 25 die from HIV infection. Every day in America, six children or young people commit suicide. Every day in America, 13 children and youths are murdered. Every day in America, 16 children and youths are killed by firearms. Every day in America, 36 children and youths die from accidents. Every day in America, 81 babies die. Every day in America, 144 babies are born at very low birth weight. Every day in America, 311 children are arrested for alcohol offenses. Ever day in America, 316 children are arrested for violent crime. Every day in America, 403 children are arrested for drug offenses. Every day in America, 443 babies are born to mothers who receive late or no prenatal care. Every day in America, 781 babies are born at low birth weight. Every day in America, 1,403 babies are born to mothers younger than 20. Every day in America, 2,377 babies are born to mothers who are not high school graduates. Every day in America, 2,556 children—babies—are born into poverty. Every day in America, 3,356 young people drop out of high school.

Colleagues, when I cite these figures from the Children's Defense Fund Report of this summer—this last report was July 17, 1998. When I cite the statistics that every day in America 3,356 high school students drop out, there is a higher correlation between high school dropouts and winding up in prison than between cigarette smoking and lung cancer. Surely, we ought to be looking at the state of children in America.

Mr. President, one quarter of all the homeless people in America are children under the age of 18, and 100,000 of these kids live on the streets right now. Mr. President, 5.5 million children go hungry in the United States of America today.

Mr. President, I commend my colleague for his emphasis on families. I commend my colleague for wanting to say that we want to do everything we can to enable parents to do well by their children. I want to commend my colleague for making the point that we want to make sure that parents are really able to exercise their responsibilities as parents with their children.

But I also want to say something else to my colleagues, which is that this second-degree amendment adds a lot of strength to what is on the floor. I don't think there should be any vote against this, because what the second-degree amendment says is, let's also apply this to the Congress. We simply say that whatever we vote out of committee, we also, in report language, have a very careful child impact statement. I see my colleague from Connecticut on the floor—probably the leading Senator for years when it comes to focusing on children. I say to my colleague, I think this is really an excellent idea. I think it is important for us to be looking at the impact.

Mr. President, I have one question that I can't let go of in my own mind, which I pose for every single colleague here: How can it be that right now in the United States of America, at our peak economic performance, we have one out of every four children under the age of 3 growing up poor in our country, and one out of every two children of color growing up poor in our country today? This is the most affluent country in the world, the most powerful country in the world, with record low unemployment, record economic performance, low inflation, a celebrated GDP, and we have a set of social arrangements that allow children to be the poorest group of Americans in our country. That is a national disgrace.

Now, Mr. President, I just want to go on and make one other point. In some of the debate that we have had over the years, colleagues have said, look, all right, Senator WELLSTONE, you disagree about proposed cuts in affordable housing, or Head Start; you disagree with proposed cuts in the Food Stamp Program, which is the major safety net food and nutrition program for children in America; you disagree with some of our other priorities, but we want to tell you that in no way, shape, or form are we not committed to children in America. I accept that in good faith. But what I want to say tonight is that, if so, we ought to at least be willing to look at our actions. We ought to be willing to look at our legislation, and we ought to be willing to analyze the impact on children in America.

Mr. President, I have traveled not just in Minnesota, but in our country, and the one thing that troubles me the most is, I just think we have to do a lot better for kids, a lot better for kids in our country.

We talk about low SAT scores; that is there. We talk about high rates of high school dropouts; that is there. We talk about children being arrested for substance abuse; that is happening. We talk about too many children taking their own lives; that is happening. We talk about too many children that are murdered; that is happening. We talk about too much violence in our schools; that is happening. We talk about too many hungry children in America; that is happening. We talk about too many children that are 3 and 4 years old and are home alone because the single parent is working and because there is no child care; that is happening. Second graders and first graders come home alone with no parent there, sometimes in very dangerous neighborhoods; that is happening. We talk about the poverty in our country and the number of children that are homeless children.

I say to the Chair, because of his commitment to veterans, that one of the most disgraceful things going on in our country is that about one-third of all the homeless are veterans—many Vietnam veterans. That is a scandal; that is simply unconscionable.

But the fact of the matter is that all of us say that we are for the children. All of us say that they are 100 percent of our future. All of us say that we care about children. All of us want to have our pictures taken next to children. All of us say that we are parents and grandparents and that this is our commitment. Well, I am saying that Senator ABRAHAM has brought a good piece of legislation on the floor. He wants to talk about the importance of parental responsibility. He wants to talk about the importance of families. And what I believe is that this second-degree amendment expands on his work, and I certainly hope that this amendment will be accepted by my colleagues.

Mr. President, I know there is a lot that we are trying to do tonight, and I have a lot more to say. In deference to colleagues—the majority leader has been gracious enough to come over here and say that this amendment will be accepted.

I just say to colleagues that, if so, I am delighted, I say to the Senator from Colorado. Might I ask my colleague one thing?

Mr. CAMPBELL. There is no opposition to the amendment.

Mr. WELLSTONE. Knowing of the commitment of the Senator from Colorado and just sort of knowing the way things work here, I wonder whether I could ask my colleague something. I am sort of tempted to have a vote because I would like to show a lot of support for this. I ask my colleague whether or not he would be willing to fight hard to keep this in conference committee?

I know my friend from Colorado being an honorable Senator—I am delighted that it will be taken—I am

wondering whether my colleague would give me some sense of whether or not he supports this, whether I can count on his support in the conference committee so this doesn't get taken out.

Mr. CAMPBELL. I can't speak for everyone in the conference, but from my own perspective I am very supportive.

Mr. WELLSTONE. That means a great deal to me.

I don't know whether my colleague from Wisconsin is on the floor right now, Senator KOHL, but I believe that I can count on his support.

Is the Senator from Michigan, Senator ABRAHAM, on the floor?

Mr. President, I thank my colleagues. I am delighted that the amendment is accepted. We can vote on it.

Mr. CAMPBELL. Mr. President, there is no opposition on the majority side to the Abraham amendment.

With that, Mr. President, I voice my support for the amendment.

The PRESIDING OFFICER. Is there further debate on the Wellstone amendment? If not, the question is on agreeing to the amendment of the Senator from Minnesota.

The amendment (No. 3373) was agreed to.

Mr. WELLSTONE. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. LOTT. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 3362, AS AMENDED

The PRESIDING OFFICER. The pending question is now on the Abraham amendment, as amended, by the amendment of the Senator from Minnesota.

Is there further debate an the Abraham amendment?

Mr. CAMPBELL addressed the Chair.

The PRESIDING OFFICER. The Senator from Colorado.

Mr. CAMPBELL. Mr. President, I suggest the absence of a quorum. We are in the process of getting some technical corrections on the amendment of the Senator from Michigan.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. CAMPBELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CAMPBELL. Mr. President, we got ahead of ourselves on the amendment of the Senator from Tennessee. I ask unanimous consent that the motion to reconsider the amendment be laid upon the table.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. CAMPBELL. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BINGAMAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BINGAMAN. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The Abraham amendment is the pending question.

Mr. BINGAMAN. I ask unanimous consent that the amendment be set aside.

The PRESIDING OFFICER. Objection is heard.

The pending question is the Abraham amendment.

Mr. ABRAHAM addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico still has the floor.

Mr. BINGAMAN. I yield the floor.

The PRESIDING OFFICER. The Senator from Michigan.

AMENDMENT NO. 3362, AS MODIFIED

Mr. ABRAHAM. Mr. President, I send a modification of my amendment to the desk.

The PRESIDING OFFICER. Is there objection to the modification of the Abraham amendment?

Hearing no objection, it so ordered.

The amendment (No. 3362, as modified) is as follows:

At the appropriate place, insert the following:

SEC. ___. ASSESSMENT OF FEDERAL REGULATIONS AND POLICIES ON FAMILIES.

(a) PURPOSES.—The purposes of this section are to—

(1) require agencies to assess the impact of proposed agency actions on family well-being; and

(2) improve the management of executive branch agencies.

(b) DEFINITIONS.—In this section—

(1) the term ''agency'' has the meaning given the term ''Executive agency'' by section 105 of title 5, United States Code, except such term does not include the General Accounting Office; and

(2) the term ''family'' means—

(A) a group of individuals related by blood, marriage, adoption, or other legal custody who live together as a single household; and

(B) any individual who is not a member of such group, but who is related by blood, marriage, or adoption to a member of such group, and over half of whose support in a calendar year is received from such group.

(c) FAMILY POLICYMAKING ASSESSMENT.—Before implementing policies and regulations that may affect family well-being, each agency shall assess such actions with respect to whether—

(1) the action strengthens or erodes the stability or safety jof the family and, particularly, the marital commitment;

(2) the action strengthens or erodes the authority and rights of parents in the education, nurture, and supervision of their children;

(3) the action helps the family perform its functions, or substitutes governmental activity for the function;

(4) the action increases or decreases disposable income or poverty of families and children;

(5) the proposed benefits of the action justify the financial impact on the family;

(6) the action may be carried out by State or local government or by the family; and

(7) the action establishes an implicit or explicit policy—concerning the relationship between the behavior and personal responsibility of youth, and the norms of society.

(d) GOVERNMENTWIDE FAMILY POLICY COORDINATION AND REVIEW.—

(1) CERTIFICATION AND RATIONALE.—With respect to each proposed policy or regulation that may affect family well-being, the head of each agency shall—

(A) submit a written certification to the Director of the Office of Management and Budget and to Congress that such policy or regulation has been assessed in accordance with this section; and

(B) provide an adequate rationale for implementation of each policy or regulation that may negatively affect family well-being.

(2) OFFICE OF MANAGEMENT AND BUDGET.—The Director of the Office of Management and Budget shall—

(A) ensure that policies and regulations proposed by agencies are implemented consistent with this section; and

(B) compile, index, and submit annually to the Congress the written certifications received pursuant to paragraph (1)(A).

(3) OFFICE OF POLICY DEVELOPMENT.—The Office of Policy Development shall—

(A) assess proposed policies and regulations in accordance with this section;

(B) provide evaluations of policies and regulations that may affect family well-being to the Director of the Office of Management and Budget; and

(C) advise the President on policy and regulatory actions that may be taken to strengthen the institutions of marriage and family in the United States.

(e) ASSESSMENTS UPON REQUEST BY MEMBERS OF CONGRESS.—Upon request by a Member of Congress relating to a proposed policy or regulation, an agency shall conduct an assessment in accordance with subsection (c), and shall provide a certification and rationale in accordance with subsection (d).

(f) JUDICIAL REVIEW.—This section is not intended to create any right or benefit, substantive or procedural, enforceable at law by a party against the United States, its agencies, its officers, or any person.

SEC. . FAMILY WELL-BEING AND CHILDREN'S IMPACT STATEMENT.

Consideration of any bill or joint resolution of a public character reported by any committee of the Senate or of the House of Representatives that is accompanied by a committee report that does not contain a detailed analysis of the probable impact of the bill or resolution on family well-being and on childen, including whether such bill or joint resolution will increase the number of children who are hungry or homeless, shall not be in order.

Mr. ABRAHAM. Mr. President, at this time I believe we have concluded all debate on the amendment.

I yield the floor.

The PRESIDING OFFICER. Is there further debate on the Abraham amendment?

If not, the question is on agreeing to the amendment of the Senator from Michigan.

The amendment (No. 3362), as modified, as amended, was agreed to.

Mr. CAMPBELL. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. ABRAHAM. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BINGAMAN addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. BINGAMAN. Mr. President, what is the pending business?

The PRESIDING OFFICER. The pending business is S. 2312, which is open to amendment.

Mr. BINGAMAN. Mr. President, I ask unanimous consent that the amendment be set aside so I can offer an amendment.

The PRESIDING OFFICER. There is no amendment pending. The Senator has a right to offer an amendment.

AMENDMENT NO. 3376

(Purpose: To provide emergency authority to the Secretary of Energy to purchase oil for the Strategic Petroleum Reserve)

Mr. BINGAMAN. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from New Mexico [Mr. BINGAMAN], for himself, Mr. MURKOWSKI, Mr. BREAUX, and Mr. TORRICELLI, proposes an amendment numbered 3376.

Mr. BINGAMAN. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

Mr. CAMPBELL. Mr. President, reserving the right to object, I note that we do not have copies of the amendment. We have not had a chance to see it yet.

Mr. BINGAMAN. Mr. President, I will have my staff get a copy to the manager immediately. I thought we had done that before.

The PRESIDING OFFICER. Let me clarify. Is there objection to dispensing with the reading of the Bingaman amendment?

Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place in the bill, add the following:

''ADDITIONAL PURCHASES OF OIL FOR THE STRATEGIC PETROLEUM RESERVE

''In response to historically low prices for oil produced domestically and to build national capacity for response to future energy supply emergencies, the Secretary of Energy shall purchase and transport an additional $420,000,000 of oil for the Strategic Petroleum Reserve upon a determination by the President that current market conditions are imperiling domestic oil production from marginal and small producers: *Provided,* That an official budget request for the purchase of oil for the Strategic Petroleum Reserve and including a designation of the entire request as an emergency requirement as defined in the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, is transmitted by the President to the Congress: *Provided further,* That the entire amount in the preceding proviso is designated by the Congress as an emergency requirement pursuant to section 251(b)(2)(A) of such Act.''.

The PRESIDING OFFICER. The Senator from New Mexico is recognized.

Mr. BINGAMAN. Mr. President, I would like to talk about a critical energy issue facing the country today that calls for urgent action.

That is the price collapse that we have seen for crude oil. We are near historically low prices for crude oil in the world, in real terms, due in part to the economic turmoil in Asia. This is leading to several serious problems.

First, we are threatened with the loss of a major domestic industry. When the wellhead price of crude oil is in the vicinity of $10 a barrel, as it has been recently in the Permian basin and elsewhere in the country), we drive producers of oil from marginal wells out of the business. There are about a half million marginal wells in this country. The employment from operating those wells puts food on the table for a lot of families all over the country, and we need to be concerned about their economic future.

Second, low prices mean we lose royalty and tax revenues that fund public education. Since October 1997, the drop in crude oil prices has triggered a revenue shortfall in the States totaling $819 million. That's close to a billion dollar loss for public education in less than one year. In New Mexico, counties and towns are canceling planned school construction and renovation projects.

Third, our national energy security is threatened. During the Arab oil embargo of the 1970s, we imported 30 percent of our oil. Today, it's 56 percent. Even before the current price decline, the Energy Information Administration was predicting that imports would go to 68 percent by 2015. With lower prices, though, EIA's projection rises to 75 percent oil import dependence.

Finally, international stability is put at risk by current oil prices. Earlier this month, the IMF approved $11.2 billion in aid for Russia. $2.9 billion of that amount was to make up for shortfalls in Russia's export earnings. Over half of Russia's oil is exported, but the benchmark price for that oil has declined by 25 percent in this year alone. Continued low world oil prices could undo whatever gains in stability are accomplished in Russia by IMF funding. The same is true of other major oil-producing countries such as Indonesia and Malaysia.

The Senate has recently focused on the problems confronting farmers growing out of collapsing world commodity prices. When it considered the agriculture appropriations bill, the Senate agreed to help address this urgent farm crisis by providing the Secretary of Agriculture with $500 million, under an emergency appropriation, to help agricultural producers, including family farmers, to stay in business. We need to do the same thing for the domestic oil industry.

The amendment that I have sent to the desk does just that. It is an emergency appropriation to allow the Administration to buy back all the oil the government has sold out of the Strategic Petroleum Reserve for budgetary purposes since the Gulf War. That amount comes to 28 million barrels.

We sold this oil out of the Strategic Petroleum Reserve to pay for other unrelated spending on appropriations bills. In effect, we were using one of the country's prime energy security tools as a giant ATM machine. The Chairman of the Senate Energy Committee and I led an effort last year and this to put a stop to such sales.

I am gratified that the Committee on Appropriations is not proposing any further sales this year. But the energy security concerns that I have mentioned, particularly our continuing and growing reliance on foreign oil imports, make repurchase of the oil for the SPR a good idea. Also, at current world oil prices, the oil we put back will cost less than what we sold it for. At an estimated cost of $15 per barrel delivered to the SPR, this amendment would require a $420 million emergency appropriation.

The use of an emergency appropriation in this case is well justified. It is somewhat less than what the Senate has done for farmers who are facing similar financial losses from the same sort of world economic forces and collapsing prices. And there can be no doubt that the economic implosion that threatens the oil-producing regions of the Southwest, if we allow current trends to continue, qualifies as an emergency.

This amendment gives the kind of help that does the most good here in the United States and internationally. It gets excess oil off the market. This would have a significant beneficial impact on wellhead prices, but not enough to trigger a price spike for refined oil products.

I think this is a good amendment. I think it is consistent with our concern for our long-term energy security. I think it is a very good investment. This is the time when we should, as a country, be thinking about replenishing the Strategic Petroleum Reserve. I hope very much the managers of the bill will be able to accept this amendment and that we will be able to add it to this piece of legislation.

I yield the floor.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Senator BINGAMAN, will you add me as a cosponsor, please?

Mr. BINGAMAN. I am very pleased to add Senator DOMENICI as a cosponsor. I yield the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

The PRESIDING OFFICER. The Senator from New Mexico, Senator DOMENICI.

Mr. DOMENICI. Mr. President, it probably will come as a big surprise that, for example, the current price for a gallon of crude oil is cheaper than the price for a gallon of bottled water. Many people will say, ''That is great.'' Those who look at the American economy and forget about our oil production and our oilfield workers, they would say, ''Great.'' But if you are looking at how far we have gone in our oil dependence, you will see the small producers of oil in the United States are in the most serious problem they have been in in modern times. The prices are so low that I had two of them come to see me the other day.

One last year had $15 million invested in new wells; this year, zero. One drilled 31 new wells last year; this year, 1. We have hundreds of thousands of small wells, called stripper wells, producing 15 barrels a day or less. Many of those, if they shut them in, the oil is gone. The entire reserve is lost.

We are not sure how to fix that. It is a very complicated problem. But the amendment that is being offered, which I join in, is saying, with prices this low and the fact that we used a lot of our expensive oil during the Iraqi war, we ought to replenish with $420 million worth of purchases. At least it will stabilize somewhat the faltering prices here and may stabilize the stripper wells that are going down the tube and will not be available to America for the production of oil. The way it is paid for is to say: If the President of the United States deems it to be an emergency, then it will be an emergency under the budget. That is not exceptional. We do that for emergencies all the time. We think the oil patch is in a state of emergency.

Mr. President, the head of the National Stripper Well Association, estimated that small producers already have closed 100,000 wells this year, and cut production by 300,000 barrels a day and has been forced to eliminate 10,000 jobs because of falling prices.

Small oil companies are sinking with crude oil prices.

Behind the price drop is the reduced demand in Asia because of its financial crisis, the prospect of Iraq selling more oil and the inability of the OPEC to agree on production cuts.

The state, receives about 30 percent of its funds from oil and gas. Each dollar drop in the price of a barrel of oil translates roughly into a drop of $20 million in state revenues.

In Oklahoma, the continuation of low oil prices could lead to the permanent abandonment of about three-fourths of Oklahoma's almost 90,000 oil wells.

This amendment will direct the Secretary of Energy to purchase and transport and additional $420,000,000 of oil for the Strategic Petroleum Reserve upon a determination by the President that the current market conditions are imperiling domestic oil productions from marginal and small producers.

This is a small step to show support for our domestic oil industry.

The PRESIDING OFFICER. The majority leader is recognized.

UNANIMOUS CONSENT REQUEST—PATIENTS' BILL OF RIGHTS

Mr. LOTT. Mr. President, if I could, I ask Senator BINGAMAN to allow Senator DASCHLE and I to bring up an issue we have been wanting to do, and also say we are working with a number of Senators to see how we might deal with this, see if it can be handled without having to go to a recorded vote. We need a few more minutes. In the meantime, Senator DASCHLE and I would like to do an exchange here with regard to a unanimous consent.

Mr. President, we need to try to clear up what we are going to do for the balance of the week. Senator DASCHLE and I have been working, back and forth, since the middle of June, trying to come to a unanimous consent agreement on how to handle the health care Patients' Bill of Rights issue. We have had a number of suggestions back and forth. We have not been able to come to agreement. There are ways that legislation could be brought to the floor anyway. But I am sure there would be objections if it were done in a way where there could not be amendments or, from this side, if there were unlimited amendments. But we need to try to see that there is one final opportunity for us to get a way to bring up the health care issue.

I ask unanimous consent the majority leader, after notification of the Democratic leader, shall turn to S. 2330 regarding health care. I further ask, immediately upon its reporting, Senator NICKLES be recognized to offer a substitute amendment making technical changes to the bill, and immediately following the reporting by the clerk, Senator KENNEDY be recognized to offer his Patients' Bill of Rights amendment, with votes occurring on each amendment with all points of order having been waived.

I further ask that three other amendments be in order on each side, for a total of six, to be offered by each leader or their designees, regarding health care. Following the conclusion of debate and following the votes with respect to the listed amendments, the bill be advanced to third reading and the Senate proceed to H.R. 4250, the House companion bill, all after the enacting clause be stricken, the text of S. 2330, as amended, if amended, be inserted, and the Senate proceed to vote at no later than 3 p.m. on Friday, July 31.

To sum up, what I am asking is we would have debate on the two underlying bills, six amendments, three on each side, and of course the votes that would be ordered as a result of that, and finish, then, by 3 on Friday, the 31st. I think we could have a good debate, have some votes, and complete that debate.

I further ask that following the vote, the Senate bill be returned to the calendar.

The PRESIDING OFFICER. Is there objection to the majority leader's request?

Mr. DASCHLE. Reserving the right to object.

Mr. GRAHAM addressed the Chair.

The PRESIDING OFFICER. The Democratic leader.

Mr. DASCHLE. Mr. President, I would certainly want to reiterate what the majority leader said at the beginning of his comments, which is that we have been negotiating now for some time in an effort to determine how we might bring to the floor the health care bills offered by the Republican caucus as well as the Democratic caucus. I see Senator GRAHAM standing. There are other bills that may be contemplated in this debate as well.

Our view is that it would be very difficult to have a debate of the importance of what we consider this to be, with the limit of amendments that the majority leader has proposed. We had 56 amendments on the Agriculture appropriations bill. We disposed of them. We had 82 amendments on the Commerce-State-Justice bill. We disposed of them. I would not say, in either case, people felt that was too long a debate to have on an important bill like those two appropriations bills. We had 150 amendments on the Defense authorization bill.

I ask unanimous consent that the majority leader's request be modified to provide for relevant amendments—to limit it to relevant amendments. I think we can have a good debate. We are prepared to limit them to relevant amendments. I have asked my colleagues not to offer the Patients' Bill of Rights amendment to other bills because, in large measure, we have been working in good faith to try to see if we can accommodate a schedule that will allow us to bring it to the floor.

Certainly, I think having an agreement that would allow a debate, limited to relevant amendments, would certainly take into account the concerns that many of our colleagues have raised about being too limited on a bill, and a debate that is as consequential as is this one. So I make that request.

The PRESIDING OFFICER. The majority leader?

Mr. LOTT. Would that be with the agreement that we finish it and have final passage on the two underlying bills by a time certain on Friday?

Mr. DASCHLE. We would not know when we would finish. Obviously, we couldn't agree to a time limit on the bill because we really don't know how long the relevant amendments would take at this point.

Mr. LOTT. That would be our concern, then. There would be no way of knowing how many amendments or how long it would go on.

As the Senator knows, this year we have attempted some bills and we never could quite bring them to a conclusion. I really want to be able to get the Senate to actually vote on a bill that goes to conference. I believe Senator DASCHLE wants that, too. I am afraid, if we just go into it with relevant amendments with no limits—we only had 18 amendments, as I recall, on the tobacco bill. We stayed on that for 4 weeks. We only have 5 weeks and 2 days left, so I don't think we could do that.

Let me say to Senator GRAHAM, I know he and others are working on another bill. What we could do, we do have, under my proposal, three amendments on each side. We could make their substitute one of those three amendments. I presume that would be

what we would probably do on our side, if there is one that is developed as an alternative. Alternatives would have an opportunity under that proposal.

Since we couldn't get any kind of guarantee that we will get it to a conclusion, I have to object to the addition that Senator DASCHLE proposed.

The PRESIDING OFFICER. Objection is heard.

Mr. DASCHLE. In that case, I will have to object to the offer made by the majority leader.

The PRESIDING OFFICER. Objection is heard.

ORDER OF PROCEDURE

Mr. LOTT. Mr. President, it will be the intent of the leadership after we finish the Treasury-Postal appropriations bill that we will go to the Department of Defense appropriations bill. We would like to lay it down tonight and be prepared to stay on it.

I say to all Senators, that will be the final bill that we will take up this week. When we finish that bill, we will be prepared to recess for the August recess. That can be tomorrow night, that can be Friday morning, that can be Friday afternoon or Friday night. It will be our intent to stay on it, with cooperation from both sides of the aisle, to complete that very important Department of Defense appropriations bill.

Mr. DASCHLE. Mr. President, to clarify a comment just made by the majority leader, I know that he has indicated to me we will move to the Executive Calendar before the end of the week.

Mr. LOTT. Yes, we have a number of nominations that I believe we can clear, that we need to clear. We will be working on that beginning tomorrow night. I thought maybe we could do some tomorrow night and then some more on Friday, after we complete the Department of Defense appropriations bill. I yield the floor, Mr. President.

TREASURY AND GENERAL GOVERNMENT APPROPRIATIONS ACT, 1999

The Senate continued with the consideration of the bill.

Mr. LOTT. Mr. President, Senator DASCHLE and I have been working to identify the remaining amendments and the time that will be necessary to debate those amendments. I thank Senator DASCHLE, again, for the time he spent on that.

I ask unanimous consent that the following amendments, as previously identified on the consent agreement, be limited to the following times, to be equally divided:

Senator BINGAMAN with regard to the Strategic Petroleum Reserve, 20 minutes;

Senator BAUCUS regarding post office closings, 10 minutes;

Senator MCCONNELL regarding the Federal Elections Commission, 10 minutes;

Senator GLENN regarding FEC, 10 minutes;

Senator HARKIN regarding drug control, 30 minutes;

And Senator WELLSTONE regarding naming of a post office, 10 minutes.

We will continue to work with the Senators on this list to see if we can work them out and get them accepted, but we need to get this order lined up and identify what those amendments are to be.

Mr. GLENN. Reserving the right to object, I wonder if we can have 15 minutes on my side. We have a couple of people who want to make short remarks.

Mr. LOTT. I would modify that request, then, so we will have 15 minutes on each side?

Mr. GLENN. Yes.

Mr. LOTT. Now we are talking 30 minutes.

Mr. GLENN. That is right, instead of 20.

Mr. LOTT. Then Senator MCCONNELL will need 30 minutes. So you are talking about 30 minutes on each side—30 minutes equally divided or 30 minutes total?

Mr. GLENN. Thirty total.

Mr. LOTT. It would be 30 minutes equally divided on the McConnell amendment and 30 minutes on the Glenn amendment.

I remind our colleagues, it is a quarter till 7. I can't think of any profound statement that can be made that will take 30 minutes that will affect one iota the vote or its outcome. If the Senators will be willing to yield some of that time, that will be very helpful.

Mr. BAUCUS. Mr. President, I appreciate my amendment being on the list. I would like 20 minutes equally divided.

Mr. LOTT. Baucus amendment, 20 minutes equally divided.

Several Senators addressed the Chair.

The PRESIDING OFFICER. Is there objection to the majority leader's request?

Mr. WELLSTONE. Yes, there is.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. WELLSTONE. Objection on two parts. First of all, with regard to the Gene McCarthy Post Office, if we are going to debate this, I would like to have that 20 minutes equally divided. And second of all, I did not agree—I thought we might reach an agreement—I did not agree to withdraw my other amendment. There is another amendment that should be added to the list that will deal with mental health or substance abuse as it affects Federal employees. I would like to have 20 minutes equally divided on that.

Mr. President, let me just add, I have been here in the afternoon ready to go with amendments, so I am not trying to delay anything.

Mr. DASCHLE. How much time did the Senator want on the second amendment?

Mr. WELLSTONE. Twenty minutes equally, if it is not accepted—maybe it will be acceptable—20 minutes equally divided.

Mr. LOTT. Mr. President, I believe this is sprouting wings here. I think I am going to at this point withdraw this agreement and notify Members I will move to table all amendments when offered. Unless we can get reasonable time agreements—we are now talking 1 hour, 2 hours, 3½ hours. What the heck, I will just move to table, and we will have a vote on each one of them.

Mr. BAUCUS. Will the Senator yield?

Mr. LOTT. I will be glad to yield.

Mr. BAUCUS. I say to the leader, I am willing to reduce mine down to 2 minutes if the Senator will agree to my amendment. (Laughter.)

Mr. LOTT. That would take unanimous consent. You might get my agreement, but I am not sure you will get the rest of them.

Mr. BAUCUS. If I get your agreement, I will reduce mine to 2 minutes.

Mr. MCCONNELL. Will the leader yield for and observation?

Mr. LOTT. I yield to the Senator from Kentucky.

Mr. MCCONNELL. I say to the majority leader, Senator GLENN suggested that my amendment will require 30 minutes, 15 minutes on a side, and then he wanted 30 minutes for his amendment. I had offered him earlier in the day that we could adopt them both on voice vote which will require no time at all for the Senate. If I understand the GLENN amendment, it is adding $2.8 million for the FEC; is that the GLENN amendment?

Mr. GLENN. Correct.

Mr. LOTT. Let me renew the request because Senator DASCHLE and I have other things we would like to do. If you want to talk and have votes, we will just be having votes every 20 minutes the rest of the night. We are not going to stack them. You need to be reasonable. The request as it now stands—does Senator GRAHAM have an addition?

Mr. GRAHAM. The central Florida drug trafficking area amendment.

Mr. LOTT. I understand you have an amendment in there which they are attempting to work out.

Mr. GRAHAM. I hope we can work it out. I want to be certain I am protected in the event.

Mr. LOTT. I renew my request with the present conditions:

Bingaman amendment for 20 minutes;

Baucus amendment for 20 minutes;

McConnell amendment for 30 minutes;

Glenn amendment for 30 minutes;

Harkin amendment for 30 minutes;

And Senator WELLSTONE, two amendments, 20 minutes each.

The PRESIDING OFFICER. Is there objection?

Mr. GRAHAM. Mr. President, reserving the right to object, if you are not on this list, does this mean you are precluded from offering your amendment?

Mr. LOTT. No, you would be in the order about 10 or 11 o'clock.

Mr. GRAHAM. I want to make sure I am protected to offer my amendment.

Mr. LOTT. The Senator's reservation is recognized, and if the issue is not worked out, he will have an opportunity to offer it and vote on it. Senator DASCHLE has a suggestion to make.

Mr. DASCHLE. I think we ought to add the Graham amendment and then limit it to the ones on this list. I don't want to see this list grow.

Mr. LOTT. Mr. President, let's add Senator GRAHAM to the list for 10 minutes. I don't think we can lock it in at this point because we have the managers' amendment and other problems could be caused doing that.

Mr. DASCHLE. Mr. President, at the very least, why don't we proceed that no second-degree amendments be in order prior to a vote on a tabling motion.

Mr. LOTT. I agree. I further ask that no second-degree amendments be in order prior to a vote on a tabling motion.

The PRESIDING OFFICER. Is there objection to the majority leader's request as amended by the minority leader? Without objection, it is so ordered.

Mr. TORRICELLI addressed the Chair.

The PRESIDING OFFICER. The Senator from New Jersey.

AMENDMENT NO. 3376

Mr. TORRICELLI. Mr. President, I rise in support of the amendment of the Senator from New Mexico, Mr. BINGAMAN, with regard to the Strategic Petroleum Reserve.

Among the great attributes of our country, historic memory may not be our greatest strength. It was only 25 years ago that America found her economy crippled by attempts made to compromise her national security by an oil embargo placed upon states that disagreed with fundamental aspects of our national foreign policy.

The 1970s may be a memory, but we have been revisited by the low oil prices that preceded the oil embargo of that decade.

Mr. President, because of the foresight of this Congress in creating a Strategic Petroleum Reserve, there is now space for 120 million barrels of oil. This Congress had the foresight, during and after the oil embargo, to plan to preserve our foreign policy independence, to preserve a large capacity to store oil so we could not be intimidated.

What is missing now is the foresight to fill that reserve. The Senator from New Mexico has noted there is no better time, with oil being sold at historically low prices. But it is important for Members of the Senate to understand that this is a propitious moment not only because the reserve has capacity and prices are low, but because in many ways the principal factors that led to the embargo of the 1970s, in an attempt to exercise leverage over American foreign policy, many of those factors are being revisited.

In 1973, the United States imported less than 27 percent of its crude oil requirements. In 1979, we imported less than 43 percent of our requirements. Yet, an embargo, given those numbers, was enough to create a national recession, hyperinflation, and caused a serious debate about foreign policy objectives.

The United States has now passed the 50 percent limit on importing foreign crude oil—9.2 million barrels per day—and by the year 2015 could import fully 70 percent of America's oil. Indeed, in the last 10 years, the rate of increase in the American importation of oil is more than all the imported oil of all nations in the world, other than Japan and Russia. Not only are we dependent, not only is it at historic highs, it is increasing.

Secretary of Energy Pena said:

The United States is highly dependent on Persian Gulf oil for a large and growing percent of our imports.

Mr. President, it is not only a question of the level of our imports, it is also the fact that many of those importations of oil continue to come from volatile areas of the world, including the Persian Gulf where we have serious foreign policy disputes with nations in the region.

It is estimated by the year 2010, the Persian Gulf's share of world export markets could surpass 67 percent, a level not seen since the oil embargoes of 1973 and 1974. Simultaneously, while American dependence on foreign oil is increasing, and world dependence on Persian Gulf oil is increasing, the United States continues to abandon domestic wells at an extraordinary rate. In the last 10 years alone, 173,000 U.S. oil wells have been abandoned. And oil production from smaller stripper wells is at its lowest level in 50 years.

Mr. President, at a time when Americans are enjoying a low price for oil and foreign policy threats have retreated for the moment, it is difficult for the Senator from New Mexico to rise and gain support of the Congress for this important initiative. But almost certainly this country will be revisited at another time when there will be an attempt to compromise our foreign policy and use the economic leverage of oil against this country.

We cannot be so foolish to forget what the oil lines were like or the recessions or the high inflation. In only a year after the Shah fell in Iran, in 1979, oil prices rose 250 percent. There are few easy ways to guard against this attempted intimidation or the economic shocks that would follow. Indeed, I know of only one. It is not perfect, it is not complete, but it is a contribution—it is the Strategic Petroleum Reserve.

It is time again to take advantage of these low prices to begin filling the reserve. For that reason, Mr. President, I rise in favor of the amendment offered by the Senator from New Mexico, Senator BINGAMAN, and I urge its adoption.

I yield the floor.

Mr. MURKOWSKI addressed the Chair.

The PRESIDING OFFICER. The Senator from Alaska.

Mr. MURKOWSKI. Mr. President, I do not know how much time is left on the amendment, but I would like to speak briefly on it.

The PRESIDING OFFICER. The Senator from New Mexico controls the time, and there are 6½ minutes remaining.

Mr. BINGAMAN. I am glad to yield the remaining time to the Senator from Alaska.

Mr. MURKOWSKI. I thank my colleague from New Mexico.

I rise in support of the amendment authorizing the purchase of 420 million dollars worth of oil for the Strategic Petroleum Reserve. First of all, as chairman of the Energy and Natural Resources Committee, it is my responsibility to protect the energy security interests of this country. The Strategic Petroleum Reserve was created for emergency purposes.

This amendment today would accomplish several goals: one, replace the oil that has been sold over the past several years for budgetary purposes. Now is a most opportune time to buy oil, when prices are at a 30-year low.

In this context, it is interesting to reflect on the fact that the average price of the oil in the SPR is about $33 a barrel. Over the past several years, the average price we have gotten in selling it is about $19 a barrel. So far, the Government has not done very well. I do not know whether they figured they would make it up in volume, but it is certainly poor business to buy high and sell low.

By taking action earlier this year, we stopped a proposed sale of oil from the Strategic Petroleum Reserve that was ordered in the 1998 Interior appropriations bill. We saved the American taxpayers over $½ billion by that action, and our energy security insurance policy remained intact. We did this, Mr. President, on an emergency appropriations bill.

Over the past 3 years, we have steadily drained our Nation's energy security insurance policy. The drain started in 1996 when the Department of Energy proposed the sale of $96 million worth of oil to pay for the decommissioning of the Weeks Island facility. In other words, we had a piggy bank. We broke into it. We did it in order to meet some budgetary requirements. We have had a hard time staying out of that piggy bank ever since.

In addition to the sale we canceled last year, there have been three additional sales. In January of 1996, the Balanced Budget Downpayment Act authorized the sale of $5.1 million barrels from Weeks Island. The oil cost a total of $40.33 a barrel. We sold it for $18.82. We lost $110 million.

In the 1996 budget agreement, we required the sale of 12.8 million barrels for $227 million. Based upon the average cost of oil in the SPR, the American taxpayer lost approximately $200 million.

The fiscal year 1997 appropriations required the sale of 10 million barrels for $220 million. Oil prices were up that winter, so the American taxpayer lost only $110 million.

So far we have lost the American taxpayer $½ billion by selling oil that we put in the SPR by buying it high and selling it low. And, of course, two years ago the President proposed to balance the budget in the year 2002 by selling $1.5 billion worth of SPR oil at $10 a barrel, which would be 150,000 barrels of oil. I am grateful that wiser heads have prevailed.

However, we did not stop the drip, drip, drip of small sales, the appropriations process. As I indicated, we paid an average of $33 per barrel. With three sales so far, it has cost the taxpayers a great deal of money—$½ billion. But now we have an opportunity to stop that by pursuing the amendment offered by my friend and colleague from New Mexico, who is also a member of the Energy Committee, because we are able to at an all-time low.

It is a great investment for our national energy security interests. I am told that what we are doing now is replacing, in this 28 million barrels, the amount that we have sold over the past several years for budgetary purposes. So while we are still short of our objective of a 90-day supply of net imports, we will be somewhere in the area of a 64-day supply.

I urge my colleagues to adopt this amendment. Let me congratulate my friend from New Mexico for offering it. I yield the floor and yield back whatever time I have.

Mr. BINGAMAN. Mr. President, let me first thank the Senator from Alaska for his strong support of this amendment and his leadership on this issue over many years.

Let me also indicate the strong support that we have had from the Independent Petroleum Association of America and the National Stripper Well Association. I thank them for the good work they have done in developing the facts that support what we are doing here.

I ask unanimous consent a letter from the President and chairman of those two organizations be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

IPAA,
Washington, DC, July 29, 1998.

Hon. JEFF BINGAMAN,
Hon. FRANK MURKOWSKI,
U.S. Senate,
Washington, DC.

DEAR SENATORS BINGAMAN AND MURKOWSKI: The Independent Petroleum Association of America (IPAA) and the National Stripper Well Association (NSWA) write in support of your amendment to the FY 1999 Treasury/Postal Appropriations. IPAA and NSWA, national associations representing America's 8,000 crude oil and natural gas producers, applaud your effort to seek an emergency appropriation of $420 million to purchase 28 million barrels of crude oil for the Strategic Petroleum Reserve (SPR).

Throughout 1998, America's independent oil producers have been experiencing a price crisis of historic magnitude. From October 1997 through July 1998, crude oil prices have dropped more than $7.00 per barrel. In many producing regions, oil producers are facing price declines of up to $10.00 per barrel.

A combination of events—increased foreign oil production, the collapse of Asian economies, and a mild winter—helped to create a temporary oversupply of crude oil on the world market. The result of the price collapse is that many of the 500,000 marginal oil wells, representing 20 percent of U.S. production or the same volume of oil imported from Saudi Arabia, are at risk of being permanently shut-in.

The amendment, which is similar to the recent $500 million emergency appropriation to remove excess agriculture commodities from the world market, would benefit (1) domestic oil producers, (2) the economies of the U.S. and other countries, and (3) U.S. national security.

1. Removing 28 million barrels of oil from a saturated market would help stabilize oil prices. In effect, policy makers would be signaling oil markets that the U.S. government is committed to preserving America's true strategic petroleum reserve—domestic crude oil producers.

This action could potentially increase prices to levels that would keep marginal oil wells economic. The average marginal oil well produces 2.2 barrels per day and costs $41.11 a day to operate. When oil sells for $14 a barrel, the marginal well generates only $30.80, resulting in a loss of $10.31 per day. Annually, the well loses $3,752. For a typical operator of 100 marginal wells, annual losses exceed $375,000.

2. This one-time purchase of oil for the SPR will stimulate U.S. and world economies. According to the National Petroleum Councils' 1994 Marginal Wells report, marginal wells generate 80,000 jobs and contribute an annual $14.4 billion to the U.S. economy. When oil prices fall, so do state and federal revenues. IPAA estimates that from November 1997 through July 1998 state severance taxes and federal oil royalties have dropped by more than $819 million.

The consequence of these revenue losses falls not on the producer but on the nation's citizens. The pinch is already being felt in state school spending where a great deal of this revenue is used. Construction spending, book purchases, and other key costs for state schools are being constrained because of lost revenues.

Additionally, the oversupply of oil on the world market is having a serious impact on the economies of Russia, Indonesia, Malaysia, and other countries. Last week, the International Monetary Fund announced the approval of an additional $11.2 billion in aid to Russia. Of that amount, $2.9 billion was directed to make up for shortfalls in Russia's oil export earnings.

3. The purchase of crude oil for the SPR would enhance America's energy and economic security. U.S. dependence on oil imports has grown to 54 percent, and is projected to climb to 61 percent by 2015. The SPR is America's best tool to combat the impact of growing import dependence and possible disruptions in crude oil supply. However, the federal government has sold 28 million barrels of oil from the Strategic Petroleum Reserve. Revenues raised from all three non-emergency sales were used to pay for government programs and to balance the federal budget.

Given the low price of crude oil, the purchase of additional stockpiles for the SPR would be a bargain for the U.S. Treasury. This purchase should be viewed as an asset transfer rather than spending. Purchasing cheap oil for the SPR makes good business sense for the U.S. government and more importantly, for the tax paying citizens of this country. It's that simple.

IPAA and NSWA strongly support this important amendment. If you have any questions, please contact Craig Ward of the IPAA staff at 202–857–4722.

Sincerely,

GEORGE YATES,
Chairman, Independent Petroleum Association of America.
STEPHEN D. LAYTON,
President, National Stripper Well Association.

The PRESIDING OFFICER (Mr. HAGEL). The Senator from Colorado.

Mr. CAMPBELL. I add my support to the Bingaman amendment. To my knowledge, there is no opposition on the majority side. I urge its support.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 3376) was agreed to.

Mr. CAMPBELL. I move to reconsider the vote.

Mr. BAUCUS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. LOTT. Mr. President, if I am going to stay around here and we are going to have these 30-minute discussions and then the amendments are going to be taken, I am going to move to table them and we are going to have votes and I am going to fight every one of them.

Senators, get serious. You have an amendment. Give a very brief explanation and let's dispose of it. This is ridiculous. I am going to start insisting on recorded votes. If we have an agreement to take an amendment, take it. Don't take the time and then not have a vote.

I yield the floor.

AMENDMENT NO. 3377

(Purpose: To express the sense of the Congress that a postage stamp should be issued honoring the 150th anniversary of Irish immigration to the United States that resulted from the Irish Famine of 1845–1850)

Mr. CAMPBELL. I have a couple of housekeeping things that have been accepted. I send an amendment to the desk and ask for its immediate consideration on behalf of Senators DURBIN, KENNEDY, DODD and MCCAIN.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Colorado [Mr. CAMPBELL] for Mr. DURBIN, for himself, and Mr. KENNEDY, Mr. DODD and Mr. MCCAIN proposes an amendment numbered 3377.

Mr. CAMPBELL. Mr. President, I ask unanimous consent reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place, insert:

The Senate finds more than 44 million Americans trace their ancestry to Ireland;

Finds these 44 million, many are descended from the nearly two million Irish immigrants who were forced to flee Ireland during the ''Great Hunger'' of 1845–1850;

Finds those immigrants dedicated themselves to the development of our nation and contributed immensely to it by helping to build our railroads, our canals, our cities and our schools;

Finds 1998 marks the 50th anniversary of the mass immigration of Irish immigrants to America during the Irish Potato Famine;

Finds commemorating this tragic but defining episode in the history of American immigration would be deserving of honor by the United States Government:

It is the sense of Congress that the United States Postal Service should issue a stamp honoring the 150th anniversary of Irish immigration to the United States during the Irish Famine of 1845–1850.

Mr. CAMPBELL. This is a sense of Congress regarding a commemorative stamp for the 150th anniversary of the Irish immigration to the United States.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 3377) was agreed to.

Mr. CAMPBELL. I move to reconsider the vote.

The PRESIDING OFFICER. Without objection, the motion to reconsider is laid upon the table.

AMENDMENT NO. 3378

(Purpose: To amend title 39, United States Code, to establish guidelines for the relocation, closing, or consolidation of post offices, and for other purposes.)

Mr. BAUCUS. Mr. President, I have an amendment at the desk.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Montana [Mr. BAUCUS] for himself, Mr. JEFFORDS, Mr. ALLARD, Mr. CONRAD, Mr. LEAHY, Mr. DORGAN, Mr. ENZI, Mr. REID and Mr. BRYAN proposes an amendment numbered 3378.

Mr. BAUCUS. I ask unanimous consent reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place, add the following:

SEC. ___. POST OFFICE RELOCATIONS, CLOSINGS, AND CONSOLIDATIONS.

(a) SHORT TITLE.—This section may be cited as the ''Community and Postal Participation Act of 1998''.

(b) GUIDELINES FOR RELOCATION, CLOSING, OR CONSOLIDATION OF POST OFFICES.—Section 404 of title 39, United States Code, is amended by striking subsection (b) and inserting the following:

''(b)(1) Before making a determination under subsection (a)(3) as to the necessity for the relocation, closing, or consolidation of any post office, the Postal Service shall provide adequate notice to persons served by that post office of the intention of the Postal Service to relocate, close, or consolidate that post office not later than 60 days before the proposed date of that relocation, closing, or consolidation.

''(2)(A) The notification under paragraph (1) shall be in writing, hand delivered or delivered by mail to persons served by that post office, and published in 1 or more newspapers of general circulation within the zip codes served by that post office.

''(B) The notification under paragraph (1) shall include—

''(i) an identification of the relocation, closing, or consolidation of the post office involved;

''(ii) a summary of the reasons for the relocation, closing, or consolidation; and

''(iii) the proposed date for the relocation, closing, or consolidation.

''(3) Any person served by the post office that is the subject of a notification under paragraph (1) may offer an alternative relocation, consolidation, or closing proposal during the 60-day period beginning on the date on which the notice is provided under paragraph (1).

''(4)(A) At the end of the period specified in paragraph (3), the Postal Service shall make a determination under subsection (a)(3). Before making a final determination, the Postal Service shall conduct a hearing, and persons served by the post office that is the subject of a notice under paragraph (1) may present oral or written testimony with respect to the relocation, closing, or consolidation of the post office.

''(B) In making a determination as to whether or not to relocate, close, or consolidate a post office, the Postal Service shall consider—

''(i) the extent to which the post office is part of a core downtown business area;

''(ii) any potential effect of the relocation, closing, or consolidation on the community served by the post office;

''(iii) whether the community served by the post office opposes a relocation, closing, or consolidation;

''(iv) any potential effect of the relocation, closing, or consolidation on employees of the Postal Service employed at the post office;

''(v) whether the relocation, closing, or consolidation of the post office is consistent with the policy of the Government under section 101(b) that requires the Postal Service to provide a maximum degree of effective and regular postal services to rural areas, communities, and small towns in which post offices are not self-sustaining;

''(vi) the quantified long-term economic saving to the Postal Service resulting from the relocation, closing, or consolidation;

''(vii) whether postal officials engaged in negotiations with persons served by the post office concerning the proposed relocation, closing, or consolidation;

''(viii) whether management of the post office contributed to a desire to relocate;

''(ix)(I) the adequacy of the existing post office; and

''(II) whether all reasonable alternatives to relocation, closing, or consolidation have been explored; and

''(x) any other factor that the Postal Service determines to be necessary for making a determination whether to relocate, close, or consolidate that post office.

''(5)(A) Any determination of the Postal Service to relocate, close, or consolidate a post office shall be in writing and shall include the findings of the Postal Service with respect to the considerations required to be made under paragraph (4).

''(B) The Postal Service shall respond to all of the alternative proposals described in paragraph (3) in a consolidated report that includes—

''(i) the determination and findings under subparagraph (A); and

''(ii) each alternative proposal and a response by the Postal Service.

''(C) The Postal Service shall make available to the public a copy of the report prepared under subparagraph (B) at the post office that is the subject of the report.

''(6)(A) The Postal Service shall take no action to relocate, close, or consolidate a post office until the applicable date described in subparagraph (B).

''(B) The applicable date specified in this subparagraph is—

''(i) if no appeal is made under paragraph (7), the end of the 60-day period specified in that paragraph; or

''(ii) if an appeal is made under paragraph (7), the date on which a determination is made by the Commission under paragraph (7)(A), but not later than 120 days after the date on which the appeal is made.

''(7)(A) A determination of the Postal Service to relocate, close, or consolidate any post office may be appealed by any person served by that post office to the Postal Rate Commission during the 60-day period beginning on the date on which the report is made available under paragraph (5). The Commission shall review the determination on the basis of the record before the Postal Service in the making of the determination. The Commission shall make a determination based on that review not later than 120 days after appeal is made under this paragraph.

''(B) The Commission shall set aside any determination, findings, and conclusions of the Postal Service that the Commission finds to be—

''(i) arbitrary, capricious, an abuse of discretion, or otherwise not in accordance with the law;

''(ii) without observance of procedure required by law; or

''(iii) unsupported by substantial evidence on the record.

''(C) The Commission may affirm the determination of the Postal Service that is the subject of an appeal under subparagraph (A) or order that the entire matter that is the subject of that appeal be returned for further consideration, but the Commission may not modify the determination of the Postal Service. The Commission may suspend the effectiveness of the determination of the Postal Service until the final disposition of the appeal.

''(D) The provisions of sections 556 and 557, and chapter 7 of title 5 shall not apply to any review carried out by the Commission under this paragraph.

''(E) A determination made by the Commission shall not be subject to judicial review.

''(8) In any case in which a community has in effect procedures to address the relocation, closing, or consolidation of buildings in the community, and the public participation requirements of those procedures are more stringent than those provided in this subsection, the Postal Service shall apply those procedures to the relocation, consolidation, or closing of a post office in that community in lieu of applying the procedures established in this subsection.

''(9) In making a determination to relocate, close, or consolidate any post office, the Postal Service shall comply with any applicable zoning, planning, or land use laws (including building codes and other related laws of State or local public entities, including any zoning authority with jurisdiction over the area in which the post office is located).

''(10) The relocation, closing, or consolidation of any post office under this subsection shall be conducted in accordance with section 110 of the National Historic Preservation Act (16 U.S.C. 470h–2).''.

(c) POLICY STATEMENT.—Section 101(g) of title 39, United States Code, is amended by adding at the end the following: ''In addition to taking into consideration the matters referred to in the preceding sentence, with respect to the creation of any new postal facility, the Postal Service shall consider the potential effects of that facility on the community to be served by that facility and the

service provided by any facility in operation at the time that a determination is made whether to plan or build that facility.''.

Mr. BAUCUS. In the spirit of cooperation, although I have been allotted 20 minutes, I will be very brief, hoping I can pick up a vote or two. It is a good amendment, anyway.

Very simply, the matter is this: In my State, and I know various other Senators in various other States, ran into a problem with the Postal Service. Namely, when the Postal Service wants to properly close, relocate or build a new post office, it has been, frankly, not the most sensitive operation in the world. That is, just close a post office, announce a closure, and that is it—giving the public and communities no say and no opportunity to comment on the closing, no opportunity to work out some accommodation with the Postal Service.

There are many examples of this. Let me give one in Livingston, MT. The Postal Service decided they were going to close the post office in downtown Livingston, just announced that they will build a new building on the edge of town. The community was up in arms because they had no notice of this, they had no opportunity to try to work something out with the Postal Service. This is a very, very, very, popular part of town. It is the center of a small town. People go to the post office, linger, talk to their friends. It is basically kind of a commons. To have this willy-nilly moved out of town is quite disruptive to the community.

So one day when I was in Livingston, I decided to walk over to the post office to see what was going on there. The Postal Service might have a good argument, but the folks also had a pretty good argument. So I walked over to the post office. They said I couldn't come in. They said, ''Sorry, Senator, you can't come in. We have to check in with headquarters to see if you can come in or not: So I say, ''OK.'' I cooled my heels for 5 minutes, 10 minutes, 15 minutes, 20 minutes; 45 minutes later they got OK and approval from the headquarters someplace—maybe the Denver office, I don't know—that I could come to the post office, walk around and see why they needed to move the post office.

I wasn't being arrogant. I wasn't being unreasonable at all. I was just being a person. This is one example of the arrogance that we run up against. As it turns out, as a consequence of this, they are very embarrassed and sat down and worked out a solution with the community.

My amendment is very simple. Basically, it says whenever the Postal Service wants to close a post office, and I am sure there are needs to close post offices, and there are needs to relocate. Whenever they close or decide to relocate, they have to do several things.

No. 1, give notice. Give notice to the public, 60 days' notice to the communities being served. No. 2, have a hearing. No. 3, that they abide by the local zoning requirements of the community.

It is quite simple. I know the Postal Service will object, saying, gee, Congress shouldn't get into managing the Postal Service, and we are not getting into the managing of the Postal Service. We are saying give the communities an opportunity to be heard. If the Postal Service and the Commission reject the community's demand, that is it. There is no right of appeal or judicial jurisdiction over any decision made by the Postal Commission after the public has an opportunity to comment.

It is my experience that sometimes when a Government agency sits down with a community, in advance, and talks it over with the community and asks their opinions about things before making a decision of what they will do, that usually things work out pretty well.

On the other hand, if an agency doesn't in advance go talk to the community, but just announces a decision arbitrarily, the community feels like it has not been consulted and it hasn't been consulted. The committee feels like they are taken for granted. The fact is that we are talking about the public. They are the employers. The employees are the Postal Service. I just ask Senators to support this amendment because it does give communities a little bit of a say in where the facilities are located. It is as simple as that.

Mr. JEFFORDS. Will the Senator yield?

Mr. BAUCUS. I yield to my good friend from Vermont.

Mr. JEFFORDS. Mr. President, I rise today to argue in support of an amendment sponsored by myself and Senator BAUCUS that would require the U.S. Postal Service to let communities know when they are planning to shut down, relocate, or consolidate a community's post office. This amendment aims to preserve the fabric of downtowns and prevent sprawl by giving citizens a say in Postal Service decisions to close, relocate, or consolidate their local post office.

This amendment is supported by the National Governors Association, the National League of Cities, the National Trust for Historic Preservation, the National Association of Postmasters of the United States, the National Conference of State Historic Preservation Officers, the American Planning Association, the Association of United States Postal Lessors, and the International Downtown Association.

Coming from a small town in Vermont, I understand the importance downtowns or village centers play in the identity and longevity of a community. Downtowns are where people go to socialize, shop, learn what their elected representatives are doing, and gather to celebrate holidays with their neighbors.

One of the focal points of any downtown area is the community's post office. Post offices have been part of downtowns and village centers as long as most cities and towns have existed. These post offices are often located in historic buildings and have provided towns with a sense of continuity as their communities have changed over time. The removal of this focal point can quickly lead to the disappearance of continuity and spirit of a community and then the community itself.

Mr. President, this amendment will enable the inhabitants of small villages and large towns to have a say when the Postal Service decides that their local post office will be closed, relocated, or consolidated. Some of my colleagues may ask why this legislation is necessary. A few stories from my home state of Vermont will answer this question.

A few years ago the general store on the green in Perkinsville, Vermont went bankrupt and the adjacent post office wanted to leave the small village center for a new building outside of town. By the time the community was aware of the project, plans were so far along—the new building had actually been constructed based on the promise of the post office as the anchor tenant—that there was no time to fully investigate in-town alternatives. One elderly resident wrote that in contrast to families now being able to walk to the post office, ''we certainly won't be walking along the busy Route 106 two miles or more to get our mail.'' The State Historic Preservation Officer commented that as people meet neighbors at the post office, the threads of community are woven and reinforced. ''It may be intangible, but its real, and such interaction is critically important to the preservation of the spirit and physical fabric of small village centers like Perkinsville.''

In 1988, the post office in the Stockbridge, Vermont, General Store needed to expand. The store owner tried to find money to rehabilitate an 1811 barn next to the store to provide the needed space, but was not successful. In 1990, the post office moved into a new facility located on the outskirts of Stockbridge on a previously undeveloped section of land at the intersection of two highways. People can no longer walk to the post office as they once were able to do when it was located in the village center. The relocation of the Stockbridge post office unfortunately removed one of the anchors of the community.

These are not isolated examples.

Mr. President, post office relocations are not only occurring in Vermont, but all across the country. My colleagues will quickly discover similar examples in their own states where the removal of the post office has harmed the economic vitality of the downtown area, deprived access to citizens without cars, and contributed to urban sprawl.

The basic premise for this legislation is to give the individuals in a community a voice in the process of a proposed relocation, closing or consolidation of a post office. This community

voice has been lacking in the current process. This bill does not give the citizenry the ultimate veto power over a relocation, closing or consolidation. Instead, the bill sets up a process that makes sure community voices and concerns are heard and taken into account by the Postal Service.

Additionally, this act will require the Postal Service to abide by local zoning laws and the historic preservation rules regarding federal buildings. Because it is a federal entity, the Postal Service has the ability to override local zoning requirements. In some cases this has lead to disruption of traffic patterns, a rejection of local safety standards, and concerns about environmental damage from problems such as storm water management.

Mr. President, post offices in Vermont and across the nation are centers of social and business interaction. In communities where post offices are located on village greens or in downtowns, they become integral to these communities' identities. I believe that this legislation will strengthen the federal-local ties of the Postal Service, help preserve our downtowns, and combat the problem of sprawl. I urge my colleagues to join Senator BAUCUS and me in support of this important amendment.

This is a simple amendment. I can't believe it can't be accepted.

Vermonters are tired of waking up in the morning and finding out their post office will be somewhere else. Under the proposed rule, all they get is a notice in the mail. There is no public hearing required. There is no way to appeal. It is just given carte blanche as to what they want to do.

In one little town in Vermont, they found out their post office moved 2 miles outside of town, and the people who had gathered in the village, a lot of the reason they gathered in the village was to be able to walk to the post office. They have to go 2 miles to get their mail.

No notice, no ability to participate at all. Blanket exemption for many zoning rules. They don't have to even take care of what the planning for the town has been. There is an exemption from the historic preservation rule. It says they can exempt projects from the new standards if the project is to meet an emergency requirement or is for temporary use, with no definition of what they are.

You are at the complete mercy of the post office to stick it anywhere they want. I tell you, our post offices are up in arms over this. All we want is a simple logical way where people are notified, they get a chance to be heard, they find out where the locations are going to be, they have an opportunity to make suggestions, and then they get on with life. But right now the way it is, it has my people in Vermont in the small town areas deeply upset. They have got postmasters who are ready to march on Washington. Why? Because we want some simple, commonsense rules to be abided by so that there is local input as to where your next post office is going to be.

I yield the floor.

Mr. COCHRAN addressed the Chair.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. COCHRAN. Mr. President, I rise in opposition, reluctantly, to this amendment because I agree very strongly with the fact that customers and residents of an area where a post office facility is located that is considered for relocation, consolidation, or closing, ought to have an opportunity to have a say-so in that process.

For over a year, our subcommittee, which has jurisdiction over the legislation involving the Postal Service, has been working closely with officials at the U.S. Postal Service to try to improve the processes. I can tell you that we have received a lot of cooperation, and I am convinced that we will continue to receive cooperation in improving this process and showing some sensitivity to political concerns and to local interests that are affected by these decisions.

The Postal Service's continued efforts are appreciated very much by me. I think it would be a mistake for the Senate to legislate a new set of requirements or procedures that the U.S. Postal Service would have to follow. It would have the effect of undoing a lot of the good work that has been done recently when we have tried to work with them on this issue.

In fact, Postmaster General Henderson has recently placed a moratorium on the closing of small post offices. This is an important issue. I agree with that. It deserves the attention of the Congress. But it is also a complex issue, one that should receive the careful consideration of the legislative committee in the due course of business, not by the adoption of an amendment, with 10 minutes of debate on each side, attached to an appropriations bill.

This amendment would add a lengthy procedural set of requirements for all facility replacements, relocations, and closings. If a fire destroyed a postal facility, for example, necessary replacement would be delayed, as this new process—if we adopt it—ran its course. For each facility change, the postmasters would have to write to each customer explaining what, why, and when the action was planned. A public hearing would then be required, with testimony received from persons served by the facility. The Service would then have to respond in writing to any proposal of an alternative, giving reasons for rejecting such proposal. And then if one postal customer objects, the proposed action could be appealed to the Postal Rate Commission, causing additional delay.

The effect of this amendment would be to seriously slow down the facility modernization program of the U.S. Postal Service. The Service has over 35,000 facilities around the country, and 8,000 of these facilities were modernized or improved during the last year.

The Service has just recently published in the Federal Register new requirements that it is imposing on itself for consultation with local leaders and customers on all facility projects. The projects must be publicized in the local newspaper and a public hearing held to explain the proposal. Additionally, local public officials receive at least a 45-day notice before the Postal Service solicits for a new site. The new processes should provide ample opportunity for public input in a responsible and orderly way. I think they should be given a chance to work.

I urge Senators to reject this amendment.

Mr. BAUCUS addressed the Chair.

The PRESIDING OFFICER. The Senator from Montana.

Mr. BAUCUS. How much time remains on both sides?

The PRESIDING OFFICER. Your side has 3 minutes 6 seconds. The other side has 6 minutes 7 seconds.

Mr. BAUCUS. Mr. President, I yield a minute and a half to my good friend from Vermont.

Mr. JEFFORDS. Mr. President, the list of things I presented is the list that the Senator from Mississippi was talking about. It doesn't do anything for you. It allows you to know and gives you a 1-day notice. You get it in the mail and you find out the next day where it is located. There is a minimum 60 days for the—there is a gross exemption, blanket exemption, of the zoning requirements. They are exempt from new standards if it is for temporary use, but there is no definition of what that is. All these things I mentioned are what we are talking about. That is why we believe very strongly that our amendment should prevail and we will work it out in conference.

I yield whatever time I have.

Mr. BAUCUS addressed the Chair.

The PRESIDING OFFICER. The Senator from Montana.

Mr. BAUCUS. Simply, Mr. President, this is already in the law. A person may already appeal a decision to close a post office. The Commission then decides whether that is reviewable. We are not changing that. That is in the law today. Any person can appeal the decision made by the Postal Service to close a post office. That is in the law today. We are saying, at least give the community notice that they are going to close. If that is done, then fewer people are going to appeal. That is all this is.

I just urge Senators to vote for something which is just common sense and reasonable. It is not going to be an excessive burden on the Postal Service. It is just asking for people up front to have an opportunity to be in on the process.

Mr. COCHRAN. Mr. President, I am prepared to yield back the remainder of the time in opposition and move to table the amendment. I don't want to

cut off any Senator's right to express themselves. I yield back the time left on this side on the amendment.

The PRESIDING OFFICER. Does the Senator from Montana yield back his time?

Mr. BAUCUS. I yield back the remainder of my time.

The PRESIDING OFFICER. All time is yielded back.

Mr. COCHRAN. Mr. President, I move to table the amendment and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion to table the amendment.

The clerk will call the roll.

The bill clerk called the roll.

Mr. NICKLES. I announce that the Senator from Indiana (Mr. COATS) and the Senator from Washington (Mr. GORTON) are necessarily absent.

I also announce that the Senator from North Carolina (Mr. HELMS) is absent because of illness.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 21, nays 76, as follows:

[Rollcall Vote No. 245 Leg.]

YEAS—21

Ashcroft	Gramm	Nickles
Campbell	Gregg	Roberts
Cleland	Lott	Roth
Cochran	Lugar	Santorum
Craig	Mack	Stevens
Faircloth	Moynihan	Thompson
Graham	Murkowski	Thurmond

NAYS—76

Abraham	Enzi	Leahy
Akaka	Feingold	Levin
Allard	Feinstein	Lieberman
Baucus	Ford	McCain
Bennett	Frist	McConnell
Biden	Glenn	Mikulski
Bingaman	Grams	Moseley-Braun
Bond	Grassley	Murray
Boxer	Hagel	Reed
Breaux	Harkin	Reid
Brownback	Hatch	Robb
Bryan	Hollings	Rockefeller
Bumpers	Hutchinson	Sarbanes
Burns	Hutchison	Sessions
Byrd	Inhofe	Shelby
Chafee	Inouye	Smith (NH)
Collins	Jeffords	Smith (OR)
Conrad	Johnson	Snowe
Coverdell	Kempthorne	Specter
D'Amato	Kennedy	Thomas
Daschle	Kerrey	Torricelli
DeWine	Kerry	Warner
Dodd	Kohl	Wellstone
Domenici	Kyl	Wyden
Dorgan	Landrieu	
Durbin	Lautenberg	

NOT VOTING—3

Coats	Gorton	Helms

The motion to lay on the table the amendment (No. 3378) was rejected.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The majority leader.

Mr. LOTT. Mr. President, if the Senator from Ohio will yield momentarily, I know he is up next, but I think we have an agreement that will help us bring this to conclusion.

AMENDMENT NO. 3378

The PRESIDING OFFICER. The question is on the Baucus amendment.

Mr. LOTT. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. LOTT. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LOTT. I believe we have to act on the underlying amendment.

The PRESIDING OFFICER. If there be no further debate, the question is on agreeing to the amendment.

The amendment (No. 3378) was agreed to.

Mr. BAUCUS. Mr. President, I move to reconsider the vote and I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The majority leader.

Mr. LOTT. Mr. President, I am continuing to struggle to try to get a finite list of amendments. I think we have that. I know a number of these amendments will be worked out, will be included in the managers' package. I have discussed this arrangement and this list with the chairman of the subcommittee, the ranking member, and with Senator DASCHLE. I believe this is the best way to get this to a conclusion that would be fair to one and all.

Again, I do note, before I make that unanimous consent request, that we do have some Senators who are going to represent the entire body at the funeral in the morning. So we are trying to go ahead and take up the Department of Defense appropriations bill first thing in the morning, lay it down at 9 o'clock, and then any stacked votes would occur at 1 o'clock.

To renew the bidding, in the earlier unanimous consent agreement, we have lined up for consideration the McConnell amendment for 30 minutes, the Glenn amendment for 30 minutes, and the Harkin amendment for 30 minutes; Harkin with regard to drug control, the other two with regard to FEC.

I now ask unanimous consent that no further first-degree amendments be in order other than the list agreed to earlier this evening and the below-listed amendments, and they be subject to relevant second-degree amendments: Graham relevant amendment, managers' package; DeWine regarding Customs; Domenici regarding FLETC; Stevens relevant amendment; Senators Daschle and Lott—one relevant each; Conrad regarding high-intensity drug areas; Dorgan regarding an advisory commission; one by Graham; Harkin and Bingaman—all three on the high-intensity drug issue. I hope they could work those out or roll them into one or something of that nature; Kerrey regarding sense of the Senate; and a Kohl managers' amendment.

I further ask all amendments must be offered and debated tonight and the votes be postponed to occur at 1, if any are needed, on the amendments. And, of course, final passage on Thursday, and that they occur in stacked sequence with 2 minutes for debate at that time before each vote for closing remarks, and that following those votes the bill be advanced to third reading.

I further ask that if the motion relative to the Graham motion to reconsider is not tabled, the underlying amendment and motions be limited to unlimited debate.

Mr. REID. Reserving the right to object.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. If I could, through the Chair, address the majority leader: We have a matter at 1 o'clock, for the hour. We have the Director of the CIA coming. We have 35 Senators who have said they want to hear him. It is going to be in 407. Could we do it at 2 o'clock, or 10 till, the votes?

Mr. STEVENS. If the Senator will yield for a moment, it is the intention of the leader to take up the defense bill when we convene in the morning, right?

Mr. LOTT. That is correct.

Mr. STEVENS. With the understanding we can proceed with business other than votes prior to that time, I think we can handle it.

Mr. LOTT. All right. Then we would have those stacked votes at——

Mr. REID. At 2 o'clock?

Mr. LOTT. At 2 o'clock? Is that agreeable with the chairman?

Mr. STEVENS. Yes, it is. I ask the leader if there is any possibility we might get some agreement, however, that we can see the amendments that are going to be brought up in the balance of the day by noon tomorrow with regard to the Defense bill. If we could just have an indication what Senators are going to have amendments so we can start scheduling the action after the vote on the stacked amendments?

Mr. LOTT. Let me say if I could, to the chairman, if there are amendments that are debated and ready for a vote at that time, we could put them in the sequence at 2 o'clock.

Mr. STEVENS. We would be happy to do that. We would like to see what the remainder of the day, and Friday morning, is going to look like if we are going to finish the bill sometime Friday.

Mr. LOTT. We amend the request, then, to 2 o'clock.

Mr. REID. I extend my appreciation to the leader.

Mr. WELLSTONE. Reserving the right to object, and I will not.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. WELLSTONE. I am trying to discern whether or not the post office in St. Paul named after Eugene McCarthy will be in the managers' amendment? Is that correct?

Mr. LOTT. That will be accepted. The objection that has been lodged will be withdrawn and the agreement was, the understanding was, when that is withdrawn, the Senator had another amendment that he would withhold.

Your amendment will be in the bill when it is passed.

Mr. WELLSTONE. I thank the majority leader.

The PRESIDING OFFICER. Is there objection to the majority leader's request? The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, reserving the right to object, and I don't intend to, may I just have scheduled, between 12:30 and 1:30, 5 minutes?

Mr. LOTT. Five minutes or so?

Mr. KENNEDY. Five.

Mr. LOTT. We will make sure that occurs, Mr. President.

Mr. KENNEDY. Thank you.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. MCCONNELL addressed the Chair.

The PRESIDING OFFICER. The Senator from Kentucky.

AMENDMENT NO. 3379

(Purpose: To amend the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.) to provide for appointment and term length for the staff director and general counsel of the Federal Election Commission, and for other purposes)

Mr. MCCONNELL. Mr. President, I send an amendment to the desk and ask for its immediate consideration on behalf of myself, Senator MCCAIN, Senator BENNETT and Senator WARNER.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Kentucky [Mr. MCCONNELL], for himself, Mr. MCCAIN, Mr. BENNETT and Mr. WARNER, proposes an amendment numbered 3379.

Mr. MCCONNELL. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of title V, add the following section:

SEC. ___. PROVISIONS FOR STAFF DIRECTOR AND GENERAL COUNSEL OF THE FEDERAL ELECTION COMMISSION.

(a) APPOINTMENT AND TERM OF SERVICE.—

(1) IN GENERAL.—The first sentence of section 306(f)(1) of the Federal Election Campaign Act of 1971 (2 U.S.C. 437c(f)(1)) is amended by striking ''by the Commission'' and inserting ''by an affirmative vote of not less than 4 members of the Commission for a term of 4 years''.

(2) EFFECTIVE DATE.—The amendment made by this subsection shall apply with respect to any individual serving as the staff director or general counsel of the Federal Election Commission on or after January 1, 1999, without regard to whether or not the individual served as staff director or general counsel prior to such date.

(b) TREATMENT OF INDIVIDUALS FILLING VACANCIES; TERMINATION OF AUTHORITY UPON EXPIRATION OF TERM.—Section 306(f)(1) of such Act (2 U.S.C. 437c(f)(1)) is amended by inserting after the first sentence the following: ''An individual appointed as a staff director or general counsel to fill a vacancy occurring other than by the expiration of a term of office shall be appointed only for the unexpired term of the individual whose term is being filled. An individual serving as staff director or general counsel may not serve in such position after the expiration of the individual's term unless reappointed in accordance with this paragraph.''.

(c) RULE OF CONSTRUCTION REGARDING AUTHORITY OF ACTING GENERAL COUNSEL.—Section 306(f) of such Act (2 U.S.C. 437c(f)) is amended by adding at the end the following:

''(5) Nothing in this Act shall be construed to prohibit any individual serving as an acting general counsel of the Commission from performing any functions of the general counsel of the Commission.''.

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. MCCONNELL. Mr. President, I had earlier offered to enter into a much shorter time agreement, because this amendment really requires very little explanation.

Last year, in the Treasury-Postal bill, we enacted term limits for the FEC Commissioners, and the terms of the Federal Election Commission members, Mr. President, are now one 6-year term.

This amendment continues the necessary reform of the Federal Election Commission by providing that two critical staff members at the Federal Election Commission—the staff director and the general counsel—serve a 4-year term, but it is important to note, these important staff members could continue to serve with the vote of four of the six FEC Commissioners. It is important to remember the FEC is a 3–3 Commission, three Republicans, three Democrats. It was structured that way on purpose. It is necessary that it be structured that way.

A very important part of the Federal Election Commission team is the staff director and the general counsel. Under the amendment that I have offered, cosponsored by Senator MCCAIN, Senator BENNETT and Senator WARNER, the chairman of the Rules Committee, beginning in January, the general counsel and the staff director will be subject to a 4-year term, and in order to achieve that 4-year term, Mr. President, they would have to enjoy the confidence of both parties; that is, they would have to achieve four votes which means at least three of one party and one of another——

Mr. GLENN. Mr. President, may we have order, please?

The PRESIDING OFFICER. The Senate will be in order. Those Senators wishing to continue discussions please take your discussions off the floor of the Senate.

The Senator from Kentucky.

Mr. MCCONNELL. Or for that matter, Mr. President, the general counsel might achieve the votes of two of one party and two of another. In other words, four votes to achieve a 4-year term, after which the general counsel, if he or she wanted to continue—and many of them might not—would have to be able to reach across party lines, which is, of course, the spirit of the Federal Election Commission, in order to achieve a 4-year term.

There is really nothing else to say about this amendment. It continues the reform process.

Mr. President, how much of my time do I have remaining?

The PRESIDING OFFICER. The Senator has 13 minutes, 23 seconds.

Mr. MCCONNELL. I yield to the distinguished Senator from Utah whatever time he may desire.

The PRESIDING OFFICER. The Senator from Utah is recognized.

Mr. BENNETT. Mr. President, my understanding of the actions and activities of the FEC up to this point indicate that it is an agency badly in need of reform, and I am delighted that the term limits have been enacted. It is also my understanding that because of its past history, some Commissioners of the FEC have been less than diligent in their duties and, as a result, the power to run the Commission has devolved to the staff.

When we debate term limits generally, we are often told that one of the reasons we should oppose term limits is because it will put too much power in the hands of the staff. The staff becomes the permanent and institutional memory of the body, while those who are supposed to run it keep cycling through on term limits.

I think it entirely appropriate that we give the new Commissioners, as their terms expire, the opportunity to act affirmatively on the staff and not allow the power of inertia to keep staff members in forever and forever. It is a logical thing to do, and I am happy to support it and happy to be a cosponsor of this amendment.

I reserve the remainder of the time.

Mr. MCCONNELL. I reserve the remainder of my time.

Mr. GLENN addressed the Chair.

The PRESIDING OFFICER. The Senator from Ohio.

Mr. GLENN. Mr. President, I rise to oppose the amendment. If this is adopted, this means that this will be the only independent agency or department of Government to time limit the general counsel or staff director—the only independent agency in the Government.

One of the FEC Commissioners has indicated to us what he thought would happen in this regard. He said it would cause chaos in the agency because, as the distinguished Senator from Kentucky has said, the Commission normally must have four votes for any action to ensure action is bipartisan.

This means that if they were trying to get rid of the general counsel for whatever reason, the amendment would allow a minority of three to fire the general counsel because there wouldn't be a majority to retain, there wouldn't be the four votes. So there is concern about who they can get to even serve in a general counsel position in that situation.

I think this will go a long ways toward destroying the FEC's independence in its own investigations under the law, because the general counsel will have to continually lobby for reinstatement. That just doesn't make any sense. I see no reason why we should be carving out the FEC, which is so important to us these days in trying to get elections laws straightened out, to be the only independent agency in all of Government to have such a time limit put on their general counsel or their staff director.

They serve there, they have served for longer terms before, and served very honorably and well, but to place them under these different restrictions on voting, that would mean a general counsel could be ousted much more easily than I believe any of us would like to see and is something I don't think we should do.

Mr. President, I rise to oppose this. If there are any others who wish to speak against this amendment, I will be glad to yield such time. How much time do I have remaining?

The PRESIDING OFFICER. The Senator has 12 minutes, 52 seconds.

Mr. FEINGOLD addressed the Chair.

The PRESIDING OFFICER. The Senator from Wisconsin.

Mr. FEINGOLD. I wonder if the Senator from Ohio will yield me 6 minutes.

Mr. GLENN. I yield such time as the Senator may desire.

Mr. FEINGOLD. I thank the Senator from Ohio.

Mr. President, I rise in strong opposition to this amendment offered by the Senator from Kentucky. I already spoke at length on the floor against a very similar amendment in its other incarnation in the other House. Fortunately, that body did not keep this provision on the bill.

What is happening here is the opposite of reform. It is the opposite of reform. This is an effort, plain and simple, to hamstring the agency that is charged with the very important responsibility of enforcing the Federal election law to which we all have to adhere—the Federal Election Commission. This effort has deadly serious consequences in terms of the independence of this Commission, and it has to be defeated.

The effect of the amendment of the Senator from Kentucky would be to result in the firing of the Commission's general counsel. The amendment involves the Congress in the personnel decisions of the FEC, the agency that we have charged with overseeing the way we conduct our reelection campaigns.

The Senator from Kentucky wants to get rid of a career civil servant who is simply trying to do his job to enforce the election laws. The current general counsel's institutional memory and knowledge is critically important now, because we are poised to confirm three new Commissioners, perhaps before the August recess.

If we do that, Mr. President, the Commission will be at full strength for the first time in almost 3 years. It has been that long since all six slots on the Commission were filled. And right as that happens, if we adopt this amendment, we are going to throw the Commission into turmoil once again by getting rid of the general counsel and forcing this newly constituted Commission to come to agreement on someone else. That could take months and hamper the enforcement efforts of the Commission at a crucial time, a very interesting time, right after the 1998 elections.

Mr. President, I want my colleagues to understand, as the Senator from Ohio has well stated, just how unprecedented this micromanaging of an agency's personnel decisions is.

No other agency must reappoint or replace its top staff every 4 years—not one. According to the Congressional Research Service, there are three independent agencies where the general counsel is actually a political appointee, nominated by the President and confirmed by the Senate. In each of these cases, the general counsel has direct statutory authority.

But in every other independent agency, including the FEC, the general counsel is appointed by either the chairman or the entire body and serves at the pleasure of the appointing entity. That is what the law is now with respect to the FEC, and there is no reason to change it.

In recent years, the FEC has undertaken a number of controversial actions in a very reasonable attempt to enforce the law that the Congress has written. Some of these cases have taken on very powerful political figures or groups—and they have done it on both sides of the aisle. And the crucial point is that the FEC itself has authorized all of these cases by a majority vote. If you don't like a case that the FEC has filed, you need to look to the Commission, not the general counsel. He is just trying to do his job as he sees fit.

What we have here, Mr. President, is an effort to intimidate an agency. The proponents of this firing want to punish the FEC's general counsel for bringing forward recommendations to enforce the law, even though in all of the cases I have mentioned, a bipartisan majority of the commission has agreed with him. In every one of those cases a bipartisan group has agreed to take the action.

Mr. President, I submit that we cannot let this happen. We need to let the professional staff of the FEC do its job. Surely the 3 to 3 party split on the Commission is enough to make sure that the Commission doesn't go off on some partisan vendetta. We must stop the partisan vendetta that this proposal represents. Protect the independence of the FEC and the nonpartisan nature of its staff by defeating the McConnell amendment.

Mr. President, I yield the floor.

Mr. KOHL. Mr. President, I rise in opposition to the McConnell amendment. If this provision is enacted, the traditional bipartisan balance of the Federal Elections Commission will be disrupted. Under this provision the general counsel and staff director of the FEC can essentially be fired by either the three Democratic or Republican Commissioners on the FEC.

This amendment has the potential of paralyzing the Federal Elections Commission and further eroding what is already a weakened campaign oversight agency.

Mr. President, such a move would be unprecedented in the Federal Government. According to a memorandum prepared by the Congressional Research Service, no general counsel which is not subject to Senate confirmation may be removed in this manner. It would be ironic that the agency charged with investigating political campaigns is crippled by Congress.

When this amendment was put forward in the House of Representatives, the New York Times noted that this provision would cripple the FEC and guarantee ''an open field for influence peddlers and influence buyers.''

In a year when this Congress failed to pass campaign finance reform, it would be even more tragic if we crippled the only watchdogs of our campaign finance system.

I urge my colleagues to vote against the McConnell amendment.

Mr. INOUYE. Mr. President, I oppose this amendment which proposes to limit the Federal Election Commission's (FEC) general counsel and staff director to a term of 4 years unless four of the six Commissioners vote to renew their terms. The Commission is composed of six members—three Republicans and three Democrats.

Consistent with the FEC's overall statutory scheme, requiring a majority decision to take official action, four votes are currently needed to remove the general counsel or staff director from office. If this amendment is adopted, four affirmative votes would be required for these officials to retain their position. That means three Commissioners from the same party voting as a block could force the termination of either the general counsel or the staff director and hold hostage either of the two top career officials at the FEC.

This amendment injects partisanship into the carefully balanced bipartisan structure at the FEC. Further, this could cause the staff to make recommendations based on partisan considerations in order to protect their jobs. These consequences would be extremely detrimental to the administration of the FEC and the enforcement of our campaign finance laws.

There appears to be little question that the purpose of this provision is to retaliate against the general counsel, Lawrence Noble, for certain actions. The general counsel recently made several controversial recommendations to the Commission. In response to 1997 rulemaking petitions filed by President Clinton and others, Mr. Noble recommended that the FEC seek public

comment on a proposal to prohibit the use of soft money in connection with federal elections.

Acting on the general counsel's recommendation, the Commission also pursued cases in court that have received negative reactions from some Members. A review of Mr. Noble's record indicates that he has been nonpartisan, balanced and fair. Mr. Noble has aggressively pursued enforcement of campaign finance laws against Democrats and Republicans alike.

In a year in which the need for campaign finance reform has received so much attention, Congress would be sending the wrong message if it passes a provision designed to weaken the very agency responsible for enforcing campaign finance laws.

I urge you to oppose this amendment.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Ohio.

Mr. GLENN. One other item I would like to note for everyone's illumination on this.

The House had a similar provision to that which is proposed by the Senator from Kentucky. They had a similar provision in the bill when it came to the House floor. They had a debate over there on this very provision which was described to me as being a bitter debate, a lot of rancor in it. It wound up with a bipartisan effort being put forward to strike this position on the floor of the House; and it was struck. They voted this provision out of the House bill on a bipartisan vote. And now this is an effort being made to put it back in on the floor of the Senate here.

I urge my colleagues to defeat this amendment.

I reserve the remainder of my time.

Mr. MCCONNELL addressed the Chair.

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. MCCONNELL. Mr. President, the House vote was on a point of order. In fact, this particular reform has been recommended by the House authorizing committee. Let us not make this more complicated than it is.

All this amendment does that the Senator from Kentucky has offered, in concert with the Senator from Utah, is require that on this—in this unique agency; it is different from any other agency in the Federal Government; it is three and three: three Republicans and three Democrats—to require that in this agency every 4 years the top two staff people enjoy enough confidence across party lines to be reappointed for 4 years.

In fact, Mr. President, this amendment ensures that the agency will, in fact, be operated on a bipartisan basis because any staff director or general counsel who, after 4 years in the office, cannot get the confidence of both parties, Mr. President, clearly is not operating on a bipartisan basis and therefore should not be reappointed.

So it is, in fact, this amendment that ensures that the Federal Election Commission achieves its original mission, which was to operate on a bipartisan basis.

I see that my friend from Utah is on the floor. I yield to him whatever time he may need.

Mr. BENNETT addressed the Chair.

The PRESIDING OFFICER. The Senator from Utah.

Mr. BENNETT. I simply have to respond to the notion that this is an amendment to fire the incumbent general counsel. That is what we were told in the last debate. That assumes that the present general counsel does not enjoy bipartisan support. That assumes that the present general counsel has conducted himself in such a way that he cannot gather the necessary four votes. I have no knowledge that that is indeed the case. But if it is indeed the case, it is a strong argument for saying that the present general counsel probably should not be in his job.

If he cannot muster bipartisan support to hold this job, we have a situation where he is obviously supporting one party over the other in order to maintain those three votes. That is the only conclusion that can be drawn from the argument made by the Senator from Wisconsin who claims this is an attempt to fire the incumbent general counsel.

There is nothing in here that says this is an attempt to fire the incumbent general counsel. It simply says the incumbent general counsel has to enjoy bipartisan support. And if he is as wonderful and as bipartisan as the Senator from Wisconsin says he is, he has nothing to fear from this amendment.

Mr. MCCONNELL. I would say to my friend from Utah, in further elaboration, after the enactment of this into law, we are not making the general counsel or the staff director subject to removal on a whim. They have a 4-year term, an opportunity to develop a record of bipartisan cooperation with both the Republicans and the Democrats on the Federal Election Commission before reaching the end of the 4-year term. At that point, if they want to continue enjoying enough confidence across party lines to achieve another 4-year appointment—it seems to me eminently reasonable. And, Mr. President, I think it guarantees that the Federal Election Commission will be the kind of agency that the Congress intended it to be when it was created in the mid 1970s.

Mr. President, I retain the remainder of my time, if I have any.

Mr. GLENN addressed the Chair.

The PRESIDING OFFICER. The Senator from Ohio.

Mr. GLENN. How much time do I have remaining?

The PRESIDING OFFICER. The Senator has 7 minutes 37 seconds.

Mr. GLENN. We are prepared to go to a vote. I am prepared to yield back the remainder of my time if the Senator from Kentucky is prepared to do the same thing.

Mr. MCCONNELL. I yield back our time.

The PRESIDING OFFICER. All time has been yielded back by both parties. The question is on the amendment.

Mr. GLENN. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The clerk will call the roll.

Mr. MCCONNELL. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. GRAHAM. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

PRIVILEGE OF THE FLOOR

Mr. GRAHAM. I ask unanimous consent that Elizabeth Coliguri, a member of my staff, be given floor privileges for the remainder of the consideration of the Treasury-Postal appropriations bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MCCONNELL addressed the Chair.

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. MCCONNELL. There is obviously some misunderstanding about the earlier consent agreement that was entered into between all of us and the Parliamentarian. I think there is no misunderstanding among the Senators, so I ask unanimous consent that all of the amendments debated tonight be voted upon in order of their offering beginning at 2 o'clock tomorrow.

The PRESIDING OFFICER. That would be the order.

Is there objection?

Mr. GLENN. Reserving the right to object, and I do not plan to object, but my understanding is the majority leader proposed that and it was already entered. Is that correct?

The PRESIDING OFFICER. That is correct.

Mr. MCCONNELL. There was some misunderstanding by the Parliamentarian as to whether we were voting further tonight. I do not think there was any misunderstanding among Senators.

Mr. GLENN. OK. Fine. Whatever.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GLENN addressed the Chair.

The PRESIDING OFFICER. The Senator from Ohio.

AMENDMENT NO. 3380

(Purpose: To provide additional funding for enforcement activities of the Federal Election Commission)

Mr. GLENN. I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Ohio [Mr. GLENN], for himself, Mr. JEFFORDS, Mr. KOHL, Mr. LEVIN, Mr. FEINGOLD and Mr. DODD, proposes an amendment numbered 3380.

Mr. GLENN. I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 44, line 13, insert after ''$33,700,000'' the following: ''(increased by $2,800,000 to be used for enforcement activities)''.

On page 46, line 18, strike ''$5,665,585,000'' and insert ''$5,662,785,000''.

On page 56, line 20, strike ''$5,665,585,000'' and insert ''$5,662,785,000''.

Mr. GLENN. Mr. President, I send this to the desk, along with my cosponsors, Senators JEFFORDS, KOHL, LEVIN, FEINGOLD, and DODD. I offer this amendment to increase the budgeted funds a small amount for enforcement efforts by the Federal Election Commission. This agency bears the very difficult and thankless task of policing all of our campaigns in the whole Congress.

Mr. President, I would like to point out, first, that this amendment was offered in the House, was debated there, and was approved. And the amendment I offer today adds exactly the same amount. It is just an additional $2.8 million to the FEC budget. The money would help the agency to investigate and prove wrongdoing. These additional funds are just a small step toward giving the Commission the resources that it really needs.

In past years, we have seen attempts by Congress to stop vigorous enforcement of the law by failing to provide an adequate budget for this agency. Just last year, following an election in which unprecedented abuse of the campaign finance laws occurred, Congress refused to give money to the FEC to hire more staff to investigate these abuses. I thought that was a tragedy.

Just last week in the House, we saw an extraordinary display of bipartisanship because the House defeated provisions intended to politicize the agency, and instead approved additional funds, as I mentioned a moment ago, for the Federal Election Commission. The extra money was set aside very specifically to help the FEC pay for investigations, many stemming from the events of the 1996 campaign. Those of us who support campaign finance reform—which is a clear majority in this body—agree that the system is broken and needs to be fixed.

Until we can pass new laws, we must at least allow the agency we created to do its best to actively and vigorously enforce the existing law. This amendment takes an important step toward assuring that the FEC can do just that. This amendment is a renewed commitment by the Members of Congress to make a real effort to ensure that people who violate our existing campaign finance laws are found and are held accountable. This is the only way we can assure the continued integrity of our election process.

Last year, we saw a lot of effort on campaign finance reform, and with Chairman THOMPSON, I had the privilege of serving as the ranking member of the Committee on Governmental Affairs' investigation into the 1996 campaign finance fiasco. During the course of those hearings, Chairman THOMPSON called on several campaign finance experts to testify. One of those witnesses was Norm Ornstein of the Brookings Institution who told us in testimony that he believed that the FEC would probably need at least $50 million—that is about twice what they are receiving—in order to become an effective enforcement agency.

These funds I am proposing are a very small step. They just match the House funds that have already passed over there. It is a small step, but still leaves the agency woefully short of what experts think it needs.

Let me give a little bit of perspective of the job facing the FEC. Right now, the FEC has 200 cases pending; 93 of those cases are under investigation and 107 cases, over half, are sitting in a file cabinet. Why? Why are these cases just sitting there in the cabinets with no action? They are waiting for staff to become available for these 200 cases. The FEC can only afford 25 staff attorneys.

How about the investigators who could help the attorneys? The FEC has two, which they consider a great improvement from 1994 when they had exactly zero. They had none. By way of contrast, on last year's investigative staff of the Governmental Affairs Committee, we had 44 lawyers and a dozen investigators, and we weren't dealing with the whole aspect of everything the FEC has to deal with. We were dealing with only one limited aspect of what occurred during the 1996 campaign. We faced nowhere near the caseload that confronts the agency that is trying to do the best job it can on a real shoestring.

I think we can all agree it doesn't matter how good the law that you have, if it isn't actively and vigorously enforced, it means nothing. It becomes a scofflaw. The Federal Election Commission already enforces a law readily exploited and bent in ways never intended. We, in Congress, fail to give the FEC the resources to find and hold accountable those who willfully violate these laws, who misuse soft money, who attempt to disguise political ads as issue advertising, and on and on. With all of the things we know that can happen, how can we hope to ensure the public has confidence in its elections and in its elected officials?

This amendment is a very, very small and reasonable step towards allowing the FEC to accomplish its mission and enforce the law. I hope my colleague will support it. I repeat, it is one that has already passed in the House. We just matched the figure of $2.8 million that they have already passed in the House. I hope my colleagues will support my amendment.

I reserve the remainder of my time.

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. MCCONNELL. Mr. President, very briefly, the FEC is clearly not underfunded. Its budget has more than doubled in the past decade. They are already getting $2 million more this year than last year under the budget of the Senator from Colorado, who has been quite generous to the Federal Election Commission—frankly, beyond what I would have done had I been in his shoes. The FEC's problems are certainly not on the financial side.

Senator GLENN would give them an extra $2.8 million over and above the additional $2 million that the distinguished Senator from Colorado is already providing for this agency. You are talking about a 16-percent budget increase, a 16-percent budget increase for the Federal Election Commission. I think the U.S. district court, in a recent case, said it best when they reported in a Wall Street Journal editorial of July 13:

If there is one thing all the players agree on, it is the need for better disclosure of contributions and a crackdown on violators. But a Federal court this week [the Wall Street Journal referring to a court decision] signaled that the Nation's electoral traffic cop, the Federal Election Commission, is lax in carrying out even that basic function.

That is the point. The basic function of the Federal Election Commission is disclosure.

The distinguished Senator from Colorado has more than adequately provided funding for this agency. To give them the additional money offered by the distinguished Senator from Ohio would provide a 16-percent increase over last year. Clearly, that is not appropriate.

I yield the floor.

Mr. GLENN. Mr. President, that's difficult to respond to, to say the FEC needs more resources. My distinguished colleague, my friend from Kentucky, says they need to monitor disclosure better; but how do they monitor that if they don't have the people to do it? They should crack down on violators. How do they crack down if they don't have the people on the staff to do it? They have a grand total of 25 staff attorneys. Until 1994, they didn't have any investigators.

To say that we put them up a certain percentage this year, when estimates we had in testimony before the Governmental Affairs Committee were that we should probably double their budget to give them a fair shot at doing their job, which would put their budget up around, somewhere around $50 million was the estimate, instead of where it is now, to think if they could even come close to fulfilling the law and the requirements they are supposed to monitor with the staff they have, just isn't right.

I said in my statement a moment ago, the FEC has 200 cases pending. They are only investigating 93. Why? It is because they don't have the people to do it. To say that they don't need more money and are quite adequately funded just flies in the face of logic. They do not have adequate staff. They can't even keep up with these things. These cases are years and years old. Many of them will not even be settled before the next election cycle comes around. They don't have the staff over there for any expeditious treatment. Ninety-three of those cases are under investigation, 107 cases are sitting in file cabinets for lack of people.

In 1994, they didn't have any investigators and then they hired one. Then it was said later on they had 100-percent improvement in their investigative staff because they then hired two; they had two people on their investigative staff. None of these attorneys are people who are normally going out and doing all the spadework, doing all of the investigating, doing the fieldwork out in the field. To say that they have quite adequate funding because they went up a certain small percentage just flies in the face of logic.

I know we are not going to probably change many minds on this particular subject, but if we are serious about ever improving our campaign financing and having the FEC as the monitoring body that does that, this is such a modest little amount of $2.8 million. I hope my colleagues will vote for this and match the House with the exact same amount the House put in. We wanted to match what they have done.

They had a debate on this in the House and decided to put this in. It was because they felt they not only needed this, they probably needed much more, but could not get more through. I would like to see us do this an extra $15 million or $20 million. I know we are not going to do that here, but this is such a modest increase and they need it so badly that I hope my colleagues will agree to the amendment I am proposing when we vote tomorrow.

Mr. FEINGOLD. Mr. President, I'm pleased to cosponsor and rise in support of the amendment offered by the Senator from Ohio, Senator GLENN. And how fitting that Senator GLENN has taken the lead on this issue since he spent much of last year investigating the fundraising scandals of the 1996 election. I congratulate him on that work and on offering this very modest, but very important amendment today.

Mr. President, as you know, I have spent a lot of time on this floor in this Congress debating the McCain-Feingold bill, and the issue of campaign finance reform. It has been a very difficult issue to make progress on. We have a strong bipartisan majority, including seven Senators from the Republican side of the aisle, in support of reform. A partisan minority continues to block our bill.

But one area on which this entire body is united, Mr. President, is the need to enforce the laws that are already on the book. In fact, time after time when we debated the issue last fall and again early this spring, opponents of our bill raised that issue as a reason that they opposed McCain-Feingold. Why should we enact new laws, they said, when we can't even enforce the ones on the book? No less than eight Senators made some version of that argument in last fall's debate, right in the middle of the Thompson Committee hearings. More still raised it when we revisited campaign finance reform in February.

In fact, given the arguments made by the opponents of the McCain-Feingold bill, I would hope this amendment would be adopted by 100–0 when we vote. Because all the amendment does is give the resources that the Federal Election Commission says it needs to carry out the duties that we have given it under the law. The very small amount of money that this amendment proposes to add to the FEC's appropriation—just 2.8 million dollars—will bring the FEC's funding up to its full budget request, which is the level that the House passed bill includes.

This is a particularly good and important time to fully fund the FEC. The Rules Committee recently recommended approval of three new nominees to the Commission, and one reappointment. If the Senate follows that recommendation, the FEC will have a full complement of Commissioners for the first time since October 1995 when then Chairman Trevor Potter left the Commission. We therefore have a chance to have a fully functioning Commission prior to this year's elections. What better time to have a fully funded Commission as well. What better time to give the FEC the resources it says it needs to do its job right.

The additional funding provided in this amendment will go directly to hiring new personnel to beef up the FEC's enforcement capacity. And there is no doubt at all that these additional investigative and legal staff are truly necessary. The FEC simply is not able to keep up with the workload as things now stand. In Fiscal Year 1997, it dismissed 133 cases as being too minor or too old to be worth pursuing. Through June of this year, three quarters of the way through this Fiscal Year, the FEC has already dismissed 144 cases. Now these are not frivolous cases, these are cases that staff has determined are worth pursuing.

And here is the most disturbing statistic, Mr. President. In every year since the FEC adopted this practice of dropping cases that it can't get to the number of cases that are dropped because they are not that important has exceeded the number that are dropped because they are stale. Until this year. This year, nearly 60 percent of the cases dropped were high priority but stale. This is a very disturbing fact. The FEC is having a harder and harder time getting to the cases that it deems to be significant because of the rising caseload and inadequate resources.

So, Mr. President, frankly, I can hardly imagine how one could argue against this amendment. The FEC is a very small agency, with a very small appropriation, and a very big job. Campaign spending by candidates continues to increase. Involvement in election activity by outside groups continues to expand. We simply cannot pretend that we want the laws to be enforced at election time and then ignore the FEC at budget time.

There is nothing that undermines the public's faith in government more, Mr. President, than a feeling that the rules of the election game are being ignored. In a very real sense, Mr. President, this amendment gives us the chance to put our money where our mouth is. I hope we take it.

Once again, I congratulate the senior Senator from Ohio for offering this amendment, and I urge its adoption.

Mr. KOHL. Mr. President, I rise today to support the amendment by Senator GLENN to bring the funding for the Federal Elections Commission to the level requested by the administration. Mr. President, we have watched during the last few years as public confidence in our electoral system has crumbled. We've seen investigations, deliberations, orations—but nothing substantive to improve how we elect Members of Congress.

We all know that despite the strong efforts of many in this institution—especially Senator MCCAIN and my colleague from Wisconsin, Senator FEINGOLD—we have not passed genuine campaign finance reform.

At the same time, the workload at the FEC has exploded. Since 1991, campaign spending has increased by nearly 150 percent. The number of audits have gone up 110 percent. And the sheer number of transactions recorded by the FEC has increased by 157 percent. This increase in work has come at a time when the FEC, an independent federal agency, has lost employees. In the last three years the number of full time employees has actually dropped from 314 to 300.

With this increase in work and decrease in staff, it should not be a surprise that the FEC—the agency charged with investigating campaign fraud and abuse—has been forced to drop legitimate cases because of insufficient resources. In 1998 alone, of the cases the FEC dismissed, nearly two out of three cases were dropped because the FEC did not have the resources to fully investigate them.

Mr. President, if I came before this body today and told you that criminals were being let out of jail because there were not enough policemen on the beat, we would rush to provide more resources to law enforcement. But because those allegedly breaking the law are political candidates and campaigns, we are ignoring the problem.

The House of Representatives recognized the deficiency in funding and voted to bring the FEC budget to $36.5 million. Senator GLENN's amendment

would do the same, and without increasing overall spending.

Mr. President, we should have passed meaningful campaign finance reform this year, but we did not. Therefore, the only real improvement we can make to our campaign finance system is to provide the policemen of that systems the tool they need to enforce our laws. The Glenn amendment will provide that additional support, and I urge its passage.

Mr. GLENN. Mr. President, I will reserve the balance of my time. Do we have 2 minutes to explain this before the vote tomorrow? Was that the agreement?

The PRESIDING OFFICER. There will be 2 minutes, evenly divided, before each vote.

Mr. GLENN. Mr. President, I yield the balance of my time for this evening.

Mr. CAMPBELL. Mr. President, I ask for the yeas and nays on the Glenn amendment at the agreed to time tomorrow.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. GRAHAM addressed the Chair.

The PRESIDING OFFICER. The Senator from Florida.

Mr. GRAHAM. Mr. President, I appreciate the great courtesies that the Senator from Colorado and the Senator from Wisconsin have extended in terms of a series of amendments that relate to drug issues. It is my hope and expectation that before we come to closure on this matter, those various amendments will be combined in an amendment that will be supported by the managers of this bill.

I am in a difficult situation, however, wanting to assure that in the unlikely event that that doesn't occur, the amendment that I propose to offer is protected. So in a minimum amount of time, I would like to offer the amendment.

I ask unanimous consent that a letter from Mr. Robert Warshaw, the Associate Director of the Office of National Drug Control Policy, which outlines the severity of the situation in the region of central Florida, which is the subject of the amendment, be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

EXECUTIVE OFFICE OF THE PRESIDENT, OFFICE OF NATIONAL DRUG CONTROL POLICY,
Washington, DC, July 29, 1998.

Hon. BOB GRAHAM,
U.S. Senate,
Washington, DC.

DEAR SENATOR GRAHAM: This is in response to your inquiry concerning the status of the Central Florida High Intensity Drug Trafficking Area (HIDTA). The Central Florida HIDTA was designated by this office on February 27, 1998 after consultation with the governor of Florida, the Attorney General, the Secretary of Health and Human Services and the Secretary of the Treasury.

A thorough analysis of the Threat Assessment and supporting information submitted by the Central Florida HIDTA reveals that this region has been severely affected by the flow of illegal drugs from domestic and international sources, and that this drug trafficking affects the nation as a whole. Illegal drugs are increasingly smuggled into Orlando and Tampa from the Caribbean and Latin America. Among Florida cities in 1996, Orlando reported the highest rate of heroin deaths. Marijuana seizures doubled between 1995 and 1996. Violent crime in Orlando and St. Petersburg increased by 8% in the first six months of 1997, at a time when violent crime declined in many other locations.

The Central Florida HIDTA will provide federal assistance intended to measurably reduce drug trafficking through a more coordinated, deliberate and focused approach to drug enforcement and interdiction in the Central Florida area. We anticipate that Federal assistance will enhance combined federal, state and local law enforcement agencies who will focus on heroin, marijuana, methamphetamine and money laundering organizations.

With the support of Congress, and federal, state and local law enforcement programs, the Central Florida HIDTA and the national HIDTA program will continue to provide assistance in countering drug trafficking. ONDCP looks forward to your continued support and cooperation in advancing this goal.

Respectfully,

ROBERT WARSHAW,
Associate Director,
State and Local Affairs.

Mr. GRAHAM. Mr. President, I do not propose to have further debate on this matter now. I hope this amendment can be vitiated tomorrow because it will have been adopted or ready to be adopted in a form that would be submitted and supported by the managers of the bill.

Mr. CAMPBELL. Mr. President, I want to assure our colleague, Senator GRAHAM of Florida, that staff is working very diligently trying to reach agreement to work these amendments into one and make sure they are protected. We have a little work to do in finding offsets, but we are very close to that.

AMENDMENT NO. 3381

(Purpose: To provide funding for the Central Florida High Intensity Drug Trafficking Area)

Mr. GRAHAM. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Florida [Mr. GRAHAM], for himself and Mr. MACK, proposes an amendment numbered 3381.

Mr. GRAHAM. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 20, line 16, strike $3,164,399,000'' and insert ''$3,162,399,000.

On page 39, line 10, strike ''$171,007,000'' and insert ''$173,007,000''.

On page 40, line 3, strike '': *Provided*, That funding'' and insert the following: '', and of which $3,000,000 shall be used to continue the recently created Central Florida High Intensity Drug Trafficking Area: *Provided*, That except with respect to the Central Florida High Intensity Drug Trafficking Area, funding''.

Mr. GRAHAM. Mr. President, I ask for the yeas and nays on my amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

AMENDMENT NO. 3382

(Purpose: To designate the building of the United States Postal Service located at 180 East Kellogg Boulevard in Saint Paul, Minnesota, as the ''Eugene J. McCarthy Post Office Building'')

Mr. CAMPBELL. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Colorado [Mr. CAMPBELL], for Mr. WELLSTONE, proposes an amendment numbered 3382.

Mr. CAMPBELL. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 104, between lines 21 and 22, insert the following:

SEC. 6___. DESIGNATION OF EUGENE J. MCCARTHY POST OFFICE BUILDING.

(a) IN GENERAL.—The building of the United States Postal Service located at 180 East Kellogg Boulevard in Saint Paul, Minnesota, shall be known and designated as the ''Eugene J. McCarthy Post Office Building''.

(b) REFERENCES.—Any reference in a law, map, regulation, document, paper, or other record of the United States to the building referred to in subsection (a) shall be deemed to be a reference to the ''Eugene J. McCarthy Post Office Building''.

Mr. CAMPBELL. Mr. President, this amendment is on behalf of Mr. WELLSTONE, and it deals with the naming of a post office, which has been agreed to by both sides.

I urge its adoption.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 3382) was agreed to.

ADDITIONAL COSPONSOR ON AMENDMENT NO. 3377

Mr. CAMPBELL. Mr. President, I ask unanimous consent that Senator MACK be added as a cosponsor to amendment No. 3377.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 3357

(Purpose: To promote the public's right to know about Federal regulatory programs, improve the quality of Government, increase Government accountability, and for other purposes)

Mr. CAMPBELL. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Colorado [Mr. CAMPBELL], for Mr. THOMPSON, proposes an amendment numbered 3357.

Mr. CAMPBELL. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

Strike section 625 and insert the following:

SEC. 625. (a) IN GENERAL.—Beginning in calendar year 2000, and every 2 calendar years thereafter, the Director of the Office of Management and Budget shall prepare and submit to Congress, with the budget submitted under section 1105 of title 31, United States Code, an accounting statement and associated report containing—

(1) an estimate of the total annual costs and benefits (including quantifiable and nonquantifiable effects) of Federal rules and paperwork, to the extent feasible—

(A) in the aggregate;

(B) by agency and agency program; and

(C) by major rule;

(2) an analysis of impacts of Federal regulation on State, local, and tribal government, small business, wages, and economic growth; and

(3) recommendations for reform.

(b) NOTICE.—The Director of the Office of Management and Budget shall provide public notice and an opportunity to comment on the statement and report under subsection (a) before the statement and report are submitted to Congress.

(c) GUIDELINES.—To implement this section, the Director of the Office of Management and Budget shall issue guidelines to agencies to standardize—

(1) measures of costs and benefits; and

(2) the format of accounting statements.

(d) PEER REVIEW.—The Director of the Office of Management and Budget shall provide for independent and external peer review of the guidelines and each accounting statement and associated report under this section. Such peer review shall not be subject to the Federal Advisory Committee Act (5 U.S.C. App.).

Mr. THOMPSON. Mr. President, today I am offering an amendment to strengthen the regulatory accounting provision in Section 625 of the Treasury-Postal Appropriations bill. This amendment would require OMB to submit a biannual report to Congress on the costs and benefits of federal regulatory programs. I ask unanimous consent that Majority Leader LOTT and Senators BREAUX, SHELBY, and ROBB be added as cosponsors to my amendment. We come from different political viewpoints, but we all agree that we need to improve our regulatory system and make it more open and accountable.

This amendment continues the effort begun by Senator STEVENS, the former Chairman of the Governmental Affairs Committee, when he passed the Stevens Regulatory Accounting Amendment on the Treasury-Postal Appropriations bill in 1996. Our goal is to promote the public's right to know about regulation, increase government accountability, and to improve the quality of regulatory programs. This amendment would not change any regulation or regulatory standard. It just provides important information for smarter and more accountable regulation.

Under the Stevens Amendment, the Office of Management and Budget issued its first regulatory accounting report to the Congress in September 1997. While this first Report was an important step toward government accountability, it left a lot to be desired. Following that first Report, Senator STEVENS and I wrote to the OMB Director expressing our concern that OMB was not fully complying with the Amendment. Several members of the House sent a similar letter. In addition, the American Enterprise Institute and the Brookings Institution held a workshop reviewing the first OMB Report in the fall of 1997. At that workshop, a distinguished group of economists unanimously agreed that OMB had fallen short on the Stevens Amendment.

Now it's time to take another step toward a more open and accountable regulatory system. This amendment would add a few simple requirements to the Stevens regulatory accounting provision to ensure that:

Regulatory Accounting is a permanent requirement. Every two years, OMB would submit the Report with the President's budget.

The Report is more informative. To the extent feasible, agencies would provide cost and benefit estimates for agency programs. In addition, the Report will clearly cover paperwork costs, including the large costs of complying with our Byzantine tax system. That was always supposed to be covered.

The Report is of higher quality. OMB guidelines to the agencies and peer review will improve future reports.

As OMB said in their first regulatory accounting Report, ''regulations (like other instruments of government policy) have enormous potential for both good and harm.'' Better information will help us regulate smarter—to increase the benefits of regulation while reducing needless waste and redtape. This will help ensure the success of important programs, while enhancing the economic security and well-being of our families and our communities.

Mr. President, I ask unanimous consent that a copy of a letter to former OMB Director Franklin Raines, and a letter from the Alliance USA be printed in the RECORD following my remarks.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
Washington, DC, October 29, 1997.

Subject: Implementation of Regulatory Accounting Amendment.

Hon. FRANKLIN D. RAINES,
Director, Office of Management and Budget, Washington, DC.

DEAR DIRECTOR RAINES: We would like to work with you toward the successful implementation of the regulatory accounting provision in section 625 of the Treasury and General Government Appropriations Act, 1998 (Pub. L. 105–61). This provision carries forward for another year the requirement that OMB report to Congress on the total costs and benefits of Federal regulatory programs. Based on our review of OMB's first regulatory accounting report, we believe there is an opportunity to make further progress toward a more transparent, cost-effective, and accountable regulatory system.

We believe that the public has a right to know the costs and benefits of federal regulatory programs. While the budget process provides the public and Congress with an opportunity to monitor and control tax-and-expenditure programs, regulatory programs do not receive such scrutiny. As your first report says, ''regulations (like other instruments of government policy) have enormous potential for both good and harm.'' We believe that better information will help us to increase the benefits and reduce the costs of regulation. This would contribute to the success of programs the public values, while enhancing the economic security and well-being of our families and communities.

While the first regulatory accounting report has some serious omissions, it is an important foundation for improving the regulatory system. Critics said it could not be done, and we appreciate that OMB's Office of Information and Regulatory Affairs (''OIRA''), with limited staff, proved the critics were wrong. We agree that OMB should use the report to raise the quality and utility of agency analyses—for developing new regulations, reviewing existing regulations, and tracking regulatory impacts over time. We encourage OMB to build on this effort by tracking the net benefits of regulations and reforms of old rules.

As OMB develops its second report, we believe there are several opportunities for improvement, and we would like to make the following recommendations. First, the report should adhere to specific statutory requirements. The first report fails to recommend improvements for specific regulatory programs or program elements, as required by subsection (a)(4). OMB need not base its recommendations on perfect empirical information nor on its overall estimates of the impacts of the regulatory system. Moreover, the first report does not assess the indirect impacts of Federal regulation, as required by subsection (a)(3).

Second, the report should more fully implement the legislation to achieve its goals. The first report failed to break down costs and benefits by program or program element where feasible, as intended by subsection (a)(1). The public also deserves a complete accounting of federal mandates—not simply those that fall within OMB's categories of ''social'' and ''economic'' regulations. OMB should estimate the costs of all paperwork requirements, including those associated with tax collection. OMB also should estimate transfer costs, even if they are viewed as a different category of regulatory costs.

Finally, OMB should exercise leadership to assure the quality and reliability of information reported. Specifically, we urge OMB to standardize procedures government-wide for collecting, analyzing, and documenting the best available information. OMB should leverage its effort with cooperation from the agencies and the President's Council of Economic Advisors. OMB also should establish a database, enforce its ''Best Practices'' guidelines, and track the costs and benefits of programs, program elements, and rules over time. OMB should synthesize and evaluate the information provided by the agencies and provide an independent assessment. To this end, OMB staff should be directed to critique the quality of the estimates provided to them, not to simply compile data presented by the agencies.

We commend you for an important first step toward a more open, efficient, and accountable regulatory system. We look forward to working with you to advance further in the 1998 report. We would appreciate your response to our recommendations by December 1, 1997.

With best wishes,

Cordially,

FRED THOMPSON,

Chairman, Senate Governmental Affairs Committee.
TED STEVENS,
Chairman, Senate Appropriations Committee.

ALLIANCE USA,
Washington, DC, July 28, 1998.

Hon. FRED THOMPSON,
U.S. Senate,
Washington, DC.

DEAR SENATOR THOMPSON: I am writing you on behalf of Alliance USA (member list attached) to express our support of your regulatory accounting amendment to the Treasury-Postal Appropriations bill to our coalition. As you know, this amendment would continue the important work on regulatory accounting begun by Senator Stevens.

Alliance USA is a nationwide coalition of over 1,000 companies united by their support for responsible regulatory reform. Our coalition believes that your regulatory accounting amendment would improve the effectiveness of several pending regulatory reform measures, including S. 981, the Regulatory Improvement Act of 1998.

We believe that the successful addition of your amendment would result in a more informed public and Congress about the benefits and burdens of federal regulations. It would also enable Congress to assess more accurately the effectiveness of regulatory programs.

We commend you for your continued efforts to improve the regulatory accounting process. If our coalition can be helpful in this effort, please let me know.

Thank you for your consideration of this request.

Sincerely,

LEWIS I. DALE,
Executive Director.

Mr. CAMPBELL. Mr. President, this amendment is acceptable to both sides of the aisle, and I urge its adoption.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

The amendment (No. 3357) was agreed to.

Mr. CAMPBELL. Mr. President, I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DOMENICI. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. GORTON). Without objection, it is so ordered.

Mr. DOMENICI. I wonder if the chairman of the committee would indulge me for an amendment on the Federal Law Enforcement Training Center.

Mr. CAMPBELL. I am happy to yield to the Senator from New Mexico.

AMENDMENT NO. 3383

(Purpose: To provide additional funding for the Federal Law Enforcement Training Center)

Mr. DOMENICI. Mr. President, I send an unprinted amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from New Mexico [Mr. DOMENICI], for himself, Mr. COVERDELL, and Mr. BINGAMAN, proposes an amendment numbered legislative 3383.

Mr. DOMENICI. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 8, line 11, strike ''$66,251,000'' and insert ''$71,923,000''.

On page 10, line 12, strike ''and related expenses, $15,360,000'' and insert ''new construction, and related expenses, $42,620,000''.

On page 46, line 18, strike ''$5,665,585,000'' and insert ''$5,632,552,000''.

On page 50, line 20, strike ''$668,031,000'' and insert ''$634,998,000''.

On page 50, line 23, strike ''$323,800,000'' and insert ''$309,499,000''.

On page 52, line 13, strike ''$344,236,000'' and insert ''$311,203,000''.

On page 56, line 20, strike ''$5,665,585,000'' and insert ''$5,632,552,000''.

On page 45, line 21, strike ''$508,752,000'' and insert ''$475,719,000''.

Mr. DOMENICI. Mr. President, I offer this amendment today with my distinguished colleague from Georgia, Senator COVERDELL, and my colleague from, New Mexico, Senator BINGAMAN, to address funding for the Federal Law Enforcement Training Center, referred to as FLETC.

This is a consolidated law enforcement training center for the Federal Government that is operated by the Department of the Treasury.

The committee bill reduces the funding for FLETC by $18.7 million below the President's budget request of $100.3 million.

The bill reduces funding for both the operating and the construction and maintenance accounts, which will have serious effects on our law enforcement training program.

Mr. President, some years ago, because law enforcement training became a necessity for a number of departments of the Federal Government, every major department which wanted to train their own law enforcement people, and the U.S. Government made a very good decision. They said the Department of Treasury will establish the Federal Law Enforcement Training Center, and it will take care of most of law enforcement training that is required for institutions and entities like the Bureau of Indian Affairs, Immigration, and just an untold number of agencies that need to have their law enforcement people trained.

Through good fortune, an earlier abandoned naval base in the State of Georgia, called Glynco, was the site that was determined for this Federal Law Enforcement Training Center.

As a matter of fact, I am sure some wonder why I remain so interested in this. A little part of it is in the State of New Mexico. But, believe it or not, when I was a second-year Senator on the Public Works Committee, we were about to spend $600 million on a new center for the Federal Law Enforcement Training Center. I suggested, almost in a very mild voice, wondering whether then committee chairman of the Public Works Committee would even consider this new center, and said, ''Would you adopt a resolution saying that before we agree to build a new one that we will take a year and look around and see if we might not already own a facility such as an abandoned military base?'' I think, to get rid of me, they all said, ''Let's adopt the resolution.'' And sure enough, 9 months later, before we ever spent any money, the chairman called me to his office and said, ''Look. They found a naval base in the State of Georgia which has just recently been closed, and it will be perfect. We will not have to build a new one.''

Although many, many claimed they were the people that got Glynco, I was very pleased to be invited as a brand new Senator in the back row and know that because I had asked that we not spend money until we look around, that we found it.

It has been doing a marvelous job. The only major competitor is the Federal Bureau of Investigation.

Some time ago, the Federal Law Enforcement Training Center, when Jim Baker was Secretary of Treasury, decided to expand and create a new one. They picked a former college in the city of Artesia, NM, which offered them the entire campus at a bargain rate, and it has since grown along with the Glynco establishment in Georgia.

I came to the floor tonight to urge the committee to restore the FLETC salary and expenses and construction to the President's level.

I know the committee had difficulty because they had to do a lot of things the House didn't do in their bill with the same amount of allocation, overall. But this amendment will actually allow $20 million for new construction of critical dormitory and classroom facilities at both Artesia in New Mexico and Glynco: $6.4 million for new dormitories in Artesia; $7.5 million for new dormitories at headquarters in Glynco; and, $6.4 million dollars for new classrooms at Glynco, which will be augmented by the amounts in the bill, restoring the budget request, and a proposed reprogramming of funds.

Mr. President, the Congress has put a significant emphasis on law enforcement over the past decade. I have been concerned for quite some time that the law enforcement agencies of the Treasury Department—that is FLETC, the Customs Service, and the Bureau of Alcohol, Tobacco, and Firearms—are overlooked when Congress talks about violent and youth crimes, drugs, gangs, and illegal immigration. The Department of the Treasury plays a very important role in this regard. While Congress has more than tripled the budget of the Department of Justice law enforcement agencies over the last decade, Treasury agencies—and this is no aspersions on the current leadership of the subcommittee—have often struggled to keep up with workloads that are increasing all the time. FLETC is a case in point. Since Congress began serious anticrime efforts, thousands of law enforcement agents have been recruited. Many of these agents receive

their basic as well as advanced training at these Federal law enforcement facilities. While the administration and Congress added these agents, sufficient resources were not devoted to keep up with the training requirements. The President requested $71.9 million for the Federal law enforcement training salaries and expenses, and the committee provided $66.25.

There are 70 Federal agencies that depend solely upon the Federal Law Enforcement Training Center to provide all direct costs for entry level training. Without these additional funds, the number of students trained in 1999 will fall below the actual number of agents trained in 1997 while the demand is greater. That will be 3,900 less. Should the administration decide to keep training levels stable, as much as 10 percent would have to be cut from other sources or some programs would have to be reduced or eliminated such as the Office for State, Local and International Training within FLETC.

Rather than go on with all of the details that I have regarding this, I just want to conclude that this is not good policy. If Congress is going to commit to strong law enforcement, it needs not only the personnel but the high-quality training needed to prepare and protect our law enforcement agents. FLETC, the Federal Law Enforcement Training Center, must be in position to meet those demands.

Mr. President, this amendment provides important resources to support the training of our Federal law enforcement personnel. I believe the Federal Law Enforcement Training Center should be a priority in this bill, and I urge adoption of the amendment.

I ask unanimous consent to have printed in the RECORD a letter from the Treasury Department, signed by Raymond Kelly, Under Secretary, to me indicating that they would very much support funding the President's level in this bill for operation and for getting ready for future demands in terms of construction.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF THE TREASURY,
Washington, DC, July 28, 1998.

Hon. PETE V. DOMENICI,
U.S. Senate, Washington, DC.

DEAR SENATOR DOMENICI: On behalf of Secretary Rubin, I want to thank you for your leadership and support of Treasury Enforcement programs. Like you, we believe that the Federal Law Enforcement Training Center (FLETC) should be funded at the President's request of $100.283 million and thereby ensure our capacity to meet critical infrastructure needs. The Treasury Department considers this a high priority so FLETC can have adequate facilities, at both Glynco and Artesia, in order to meet the surging workload associated with border management build-up, drug interdiction, anti-terrorism, and related activities.

Equally important, we are committed to ensuring that funding for FLETC does not offset other Treasury programs. We hope that the Senate will be able to restore the funding levels requested by the Administration during its deliberations on the FY 1999 appropriations.

Very truly yours,

RAYMOND W. KELLY,
Under Secretary for Enforcement.

Mr. DOMENICI. Mr. President, I would like to ask the chairman, with whom I have conferred and whose staff I have conferred at length, would the chairman do his best to fully fund FLETC as requested by the President when he goes to conference?

Mr. CAMPBELL. Mr. President, I would be honored to support Senator DOMENICI's request in this amendment. I had some experience with FLETC, too. I visited the campus in Artesia, NM, a few years ago and was very impressed. It is one of the opportunities that Federal agencies really have to interact with each other, and certainly the agents who are going back to separate departments.

The Senator also mentioned other agencies. We have the Indian law enforcement agents who work throughout America.

Mr. DOMENICI. Exactly.

Mr. CAMPBELL. We have, of course, as every other subcommittee, only a certain amount of spending authority, and we have to deal with that. We have had a great many requests. We are now wrestling, in fact, with the request for the six high-density drug trafficking areas which are all becoming more expensive, and certainly they work in an allied fashion, because people who get out of FLETC sometimes go into those different agencies. But I want to assure the Senator I am very supportive and we will do our very best to come up with the money necessary to deal with the President's request.

AMENDMENT NO. 3383, WITHDRAWN

Mr. DOMENICI. Mr. President, I withdraw the amendment which I heretofore sent to the desk.

The PRESIDING OFFICER. The Senator's first amendment is withdrawn.

The amendment (No. 3383) was withdrawn.

AMENDMENT NO. 3384

(Purpose: To provide additional funding for the Federal Law Enforcement Training Center)

Mr. DOMENICI. I will send an amendment to the desk shortly which I hope will be adopted. This one is in behalf of myself, Senator COVERDELL, Senator BINGAMAN, and Senator CLELAND from the respective States, the largest center in Georgia by far, and we have kind of a small adjunct to it in the State of New Mexico. So all four Senators are on the amendment.

First, we are relying upon the distinguished chairman, who will see to it in conference that the President's request for operations and the like will be met, and that probably is already in the House bill.

This amendment says that within the amounts appropriated in the act, up to $20.3 million may be transferred to the acquisition, construction, improvements and related expenses account of the Federal Law Enforcement Training Center for new construction. I send that amendment to the desk. It is the one with the four Senators who I have mentioned.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from New Mexico [Mr. DOMENICI], for himself, Mr. COVERDELL, Mr. BINGAMAN, and Mr. CLELAND, and others propose an amendment numbered 3384.

Mr. DOMENICI. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of the bill add the following new section:

''SEC. . Within the amounts appropriated in this Act, up to $20.3 million may be transferred to the Acquisition, Construction, Improvements, and Related Expenses account of the Federal Law Enforcement Training Center for new construction.''

Mr. COVERDELL. Mr. President, I rise today to speak on behalf of an amendment that I have cosponsored and introduced today with my colleague from New Mexico and Chairman of the Budget Committee, Senator DOMENICI, regarding funding for the Federal Law Enforcement Training Center.

To date only fifty one percent of FLETC's master construction plan is completed, and this amendment would move FLETC closer toward its goal of being the centralized training center for our federal agencies.

Whether traveling in my home state of Georgia, or chairing a Subcommittee hearing on drug interdiction, the need to address the crisis we face with drugs and crime is consistently brought to my attention. Through continued funding and support of the Federal Law Enforcement Training Center we will be able to take the necessary steps to achieve this goal for all Americans.

Mr. President, I once again urge my colleagues to join me in supporting this amendment.

Mr. CAMPBELL. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

Mr. DOMENICI. Mr. President, will the Senator withhold?

Mr. CAMPBELL. I withhold that.

Mr. DOMENICI. If there is nothing further before the Senate, is not the next matter adoption of the amendment?

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 3384) was agreed to.

Mr. DOMENICI. Mr. President, I move to reconsider the vote.

Mr. CAMPBELL. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DOMENICI. I thank the chairman and ranking member for their help in this matter, and I yield the floor.

Mr. CAMPBELL. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. STEVENS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 3385

(Purpose: To provide for an adjustment in the computation of annuities for certain Federal officers and employees relating to average pay determinations, and for other purposes)

Mr. STEVENS. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Alaska [Mr. STEVENS] proposes an amendment numbered 3385.

Mr. STEVENS. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place, insert the following:

SEC. ___. AVERAGE PAY DETERMINATION OF CERTAIN FEDERAL OFFICERS AND EMPLOYEES.

(a) CIVIL SERVICE RETIREMENT SYSTEM.—

(1) IN GENERAL.—Chapter 83 of title 5, United States Code, is amended by inserting after section 8339 the following:

"§ 8339a. Average pay determination in certain years

''(a) For purposes of this section the term 'covered position' means—

''(1) any position for which pay is adjusted by statute whenever an adjustment takes effect under section 5303 (or any statute relating to cost-of-living adjustments in statutory pay systems in effect before the effective date of section 101 of the Federal Employees Pay Comparability Act of 1990 (Public Law 101–509; 104 Stat. 1429)); or

''(2) any position for which pay is adjusted by rule, practice, or order based on an adjustment in the pay of a position described under paragraph (1).

''(b) Subject to subsection (d), for purposes of determining the average pay of an employee or Member, the basic pay of the employee or Member during a year described under subsection (c) shall be deemed to be the basic pay paid at the actual rate of pay adjusted by the same percentage as any cost-of-living adjustment of annuities under section 8340 which took effect during such year, on the date such cost-of-living adjustment took effect.

''(c) Subsection (b) refers to any year in which—

''(1) any cost-of-living adjustment of annuities under section 8340 took effect; and

''(2) the applicable employee or Member serving in a covered position did not receive an adjustment in pay described under subsection (a) (1) or (2) because a statute provided that such adjustment would not take effect with respect to a covered position described under subsection (a) (1).

''(d) Average pay shall be determined under this section, if the applicable employee or Member, or the survivor of such employee or Member, deposits to the credit of the Fund an amount equal to the difference between the amount deducted from the basic pay of the employee or Member during the period of service in a covered position and the amount which would have been deducted during such period if the rate of basic pay had been adjusted as provided under subsections (b) and (c), plus interest as computed under section 8334(e).''.

(2) TECHNICAL AND CONFORMING AMENDMENT.—The table of sections for chapter 83 of title 5, United States Code, is amended by inserting after the item relating to section 8339 the following:

''8339a. Average pay determination in certain years.''.

(b) FEDERAL EMPLOYEES RETIREMENT SYSTEM.—

(1) IN GENERAL.—Chapter 84 of title 5, United States Code, is amended by inserting after section 8415 the following:

"§ 8415a. Average pay determination in certain years

''(a) For purposes of this section the term 'covered position' means—

''(1) any position for which pay is adjusted by statute whenever an adjustment takes effect under section 5303 (or any statute relating to cost-of-living adjustments in statutory pay systems in effect before the effective date of section 101 of the Federal Employees Pay Comparability Act of 1990 (Public Law 101–509; 104 Stat. 1429)); or

''(2) any position for which pay is adjusted by rule, practice, or order based on an adjustment in the pay of a position described under paragraph (1).

''(b) Subject to subsection (d), for purposes of determining the average pay of an employee or Member, the basic pay of the employee or Member during a year described under subsection (c) shall be deemed to be the basic pay paid at the actual rate of pay adjusted by the same percentage as any cost-of-living adjustment of annuities under section 8462 which took effect during such year, on the date such cost-of-living adjustment took effect.

''(c) Subsection (b) refers to any year in which—

''(1) any cost-of-living adjustment of annuities under section 8462 took effect; and

''(2) the applicable employee or Member serving in a covered position did not receive an adjustment in pay described under subsection (a) (1) or (2) because a statute provided that such adjustment would not take effect with respect to a covered position described under subsection (a) (1).

''(d) Average pay shall be determined under this section, if the applicable employee or Member, or the survivor of such employee or Member, deposits to the credit of the Fund an amount equal to the difference between the amount deducted from the basic pay of the employee or Member during the period of service in a covered position and the amount which would have been deducted during such period if the rate of basic pay had been adjusted as provided under subsections (b) and (c), plus interest as computed under section 8334(e).''.

(2) TECHNICAL AND CONFORMING AMENDMENT.—The table of sections for chapter 84 of title 5, United States Code, is amended by inserting after the item relating to section 8415 the following:

''8415a. Average pay determination in certain years.''

(c) EFFECTIVE DATE.—This section shall take effect on January 2, 1999, and shall apply only to any annuity commencing on or after such date.

Mr. STEVENS. Mr. President, I will explain this amendment further tomorrow. What it does is deal with the computation of pay for retired Federal employees. It is an attempt to try to adjust the payment for retired former employees. It has nothing to do with the pay of any current Member. It will deal only with adjusting the pay of retired employees. I will explain it further. I ask it be set aside for the time being.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KOHL addressed the Chair.

The PRESIDING OFFICER. The Senator from Wisconsin.

Mr. KOHL. Mr. President, I rise in objection to the amendment and suggest we vote on it tomorrow.

Mr. STEVENS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. CAMPBELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 3386

(Purpose: To protect Federal law enforcement officers who intervene in certain situations to protect life or prevent bodily injury.)

Mr. CAMPBELL. Mr. President, I ask unanimous consent that I be allowed to send an amendment to the desk on behalf of Senator GRASSLEY and that it be considered as being the LOTT relevant amendment.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report.

The bill clerk read as follows:

The Senator from Colorado [Mr. CAMPBELL], for Mr. GRASSLEY, for himself, Mr. D'AMATO, Mr. SESSIONS, Mr. STEVENS and Mr. GRAMS, proposes an amendment numbered 3386.

Mr. CAMPBELL. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place, insert the following:

SEC. ___. (a) DEFINITIONS.—In this section—

(1) the term ''crime of violence'' has the meaning given that term in section 16 of title 18, United States Code; and

(2) the term ''law enforcement officer'' means any employee described in subparagraph (A), (B), or (C) of section 8401(17) of title 5, United States Code; and any special agent in the Diplomatic Security Service of the Department of State.

(b) RULE OF CONSTRUCTION.—Notwithstanding any other provision of law, for purposes of chapter 171 of title 28, United States Code, or any other provision of law relating to tort liability, a law enforcement officer shall be construed to be acting within the scope of his or her office or employment, if the officer takes reasonable action, including the use of force, to—

(1) protect an individual in the presence of the officer from a crime of violence;

(2) provide immediate assistance to an individual who has suffered or who is threatened with bodily harm; or

(3) prevent the escape of any individual who the officer reasonably believes to have

committed in the presence of the officer a crime of violence.

Mr. GRASSLEY. Mr. President, I thank my colleague from Colorado for offering my amendment. This is legislation that I originally offered last year as a free standing bill. I would like to say a few words on the amendment and ask my colleagues to support. It is co-sponsored by Senators D'AMATO, SESSIONS, STEVENS, and GRAMS.

First, let me remind my colleagues of what the amendment does. I have outlined these in letters to my colleagues and in my original statement on the floor. In addition, many of you have heard from various federal law enforcement associations that support this amendment. Its main intent is to address a problem, a gray area, in current law. As it now stands, the situation reminds me of the old saying that no good deed goes unpunished.

This involves what I call the 7–11 situation. Suppose for a moment that an off-duty Capitol Police officer or a Customs Agent or some other federal officer goes into the 7–11 to buy coffee. While he is there, a robber tries to hold up the store and is threatening the public with violence. Under the present circumstance a not so funny thing can happen. If the off-duty officer intervenes to protect the public and is hurt in the process. Or if someone is hurt in the incident, the officer could lose his workman's compensation or be sued by the felon for injuries because the Federal officer was acting outside the scope of his work. If he was not on duty or if the felony did not occur as part of the duties involved in his job description, he has no protections.

This is a real concern to serving officers. It puts them in a difficult situation. That is what this amendment fixes. It would give protection to Federal officers in these situations.

Now, let me make it clear. This does not mean an expansion of the authorities to Federal officers to make arrests in matters reserved to the states. I have checked this with the States' Attorneys General. This amendment also does not authorize Federal law enforcement officers to act like cowboys. Nothing in current law, even when acting on official duty, would permit an officer to act irresponsibly. They are subject to penalties if they should do so under their scope of work and they are subject to the same sanctions here.

What we have now, however, is a situation where a law enforcement officer has to make a sudden decision. Does he intervene to protect the public, which is what we would all expect? Or does he sit it out to avoid the risk of being sued or losing his workman's compensation if he is injured? I think I know what most of us would expect. I know what most of us believe is the responsible thing to do. We would expect the officer to intervene with a clear conscience and the knowledge that his act of decency and responsibility will not be punished. I would add that this situation, fortunately, is not a common one. It is, however, one that needs to be addressed.

I hope that we will adopt this amendment today. It has been a long time in coming and I urge my colleagues to join me in voting for it. Again, let me remind my colleagues that this language has been a free-standing bill for almost a year and has been available for comment. We have worked with DEA, Customs, and many others on the language. It has been provided to both majority and minority members. Most of these members have been visited by all the major Federal law enforcement associations and unions, which, I might mention, support this legislation wholeheartedly. I offer for the RECORD a few of the letters that have been written to me and other Members in support. I believe all the Federal law enforcement officers who risk their lives on our behalf deserve this much. We know only too well the risk they take on our behalf.

I ask unanimous consent that these letters be printed in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

FEDERAL LAW ENFORCEMENT
OFFICERS ASSOCIATION,
East Northport, NY, April 10, 1998.

Hon. CHARLES E. GRASSLEY,
U.S. Senate,
Washington, DC.

DEAR SENATOR GRASSLEY: On behalf of the approximately 14,000 members of the Federal Law Enforcement Officers Association (FLEOA), I wish to thank you for introducing S. 1031, the Federal Law Enforcement Officer's Good Samaritan Act of 1997. This bill has the support of every FLEOA member, their families, and their friends. FLEOA guarantees you of our strong support and, pledges our efforts to see that this important piece of legislation is passed.

FLEOA is a non-partisan professional association representing federal agents and criminal investigators from the federal agencies listed on the left masthead. We represent line agents, supervisors and managers, with over sixty chapters across the United States and several overseas. We provide a voice for our members to express their concerns regarding legislative activity in Washington, D.C., relating to law enforcement. Having visited over 25 chapters within these last few months, I can assure you of the overwhelming support that S. 1031 has all over the country. Without a doubt, this piece of legislation will allow law enforcement to be more effective and better serve the American Public. We commend you for your efforts on S. 1031.

If you have any questions or need further information, please feel free to contact me directly at (212) 264–8406 or through FLEOA's Corporate Service offices at (516) 368–6117. We look forward to working with experienced and expert staffers, such as William Olson, on this issue. Thank you again.

Sincerely,

RICHARD J. GALLO,
President.

FRATERNAL ORDER OF POLICE,
EASTERN CHAPTER #111,
April 30, 1998.

Hon. CHARLES E. GRASSLEY,
U.S. Senate,
Washington, DC.

DEAR SENATOR GRASSLEY: On behalf of the men and women of the Fraternal Order of Police (FOP), lodge #111, I wish to thank you for introducing S. 1031, the Federal Law Enforcement Officer's Good Samaritan Act of 1997. This bill has the support of each and every member, their families, and friends. The F.O.P. guarantees you our strong support and pledges our efforts to see that this important piece of legislation is passed.

If you have any questions or need further information, please feel free to contact me directly at (215) 597–3507.

Sincerely,

FRANK NORRIS,
President #111.

THE LAW ENFORCEMENT
STEERING COMMITTEE,
Washington, DC, June 10, 1998.

Hon. ORRIN G. HATCH,
Chairman, Senate Judiciary Committee, Washington, DC.

DEAR SENATOR HATCH: On behalf of the Law Enforcement Steering Committee (LESC), I write to request your support of S. 1031, the Federal Law Enforcement Officers Good Samaritan Act of 1998. The LESC is a nonpartisan coalition of police organizations collectively representing over 500,000 law enforcement officers and managers nationwide.

This bill, introduced by Senator Chuck Grassley in 1997, would provide full legal protection for federal law enforcement officers who intervene in certain situations to prevent loss of life or serious bodily injury to a citizen. This bill, if enacted, would offer legal protection to federal law enforcement officers who unexpectedly encounter and take action to prevent a violent crime in progress or to assist in an emergency. The bill does not expand the investigative authority or jurisdiction of any federal agency. The bill has the support of the Fraternal Order of Police, the National Organization of Black Law Enforcement Executives, the National District Attorney's Association, and many other law enforcement organizations. The citizens of the United States would benefit in that the country's well trained and equipped law enforcement officers would be encouraged to assist the public. Federal law enforcement officers would benefit in the knowledge that the Congress of the United States supports them when they take appropriate action to help a citizen in need.

It is our desire to see this bill enacted during the 105th Congress. We would appreciate your assistance in this effort.

Sincerely,

ROBERT L. STEWART,
Chairman.

THE LAW ENFORCEMENT
STEERING COMMITTEE,
Washington, DC, June 10, 1998.

Hon. PATRICK J. LEAHY,
Ranking Minority Member, Senate Judiciary Committee, Washington, DC.

DEAR SENATOR LEAHY: On behalf of the Law Enforcement Steering Committee (LESC), I write to request your support of S. 1031, the Federal Law Enforcement Officers Good Samaritan Act of 1998. The LESC is a nonpartisan coalition of police organizations collectively representing over 500,000 law enforcement officers and managers nationwide.

This bill, introduced by Senator Chuck Grassley in 1997, would provide full legal protection for federal law enforcement officers who intervene in certain situations to prevent loss of life or serious bodily injury to a citizen. This bill, if enacted, would offer legal protection to federal law enforcement officers who unexpectedly encounter and take action to prevent a violent crime in progress or to assist in an emergency. The bill does not expand the investigative authority or jurisdiction of any federal agency. The bill has the support of the Fraternal

Order of Police, the National Organization of Black Law Enforcement Executives, the National District Attorney's Association, and many other law enforcement organizations. The citizens of the United States would benefit in that the country's well trained and equipped law enforcement officers would be encouraged to assist the public. Federal law enforcement officers would benefit in the knowledge that the Congress of the United States supports them when they take appropriate action to help a citizen in need.

It is our desire to see this bill enacted during the 105th Congress. We would appreciate your assistance in this effort.

Sincerely,

ROBERT L. STEWART,
Chairman.

THE LAW ENFORCEMENT
STEERING COMMITTEE,
Washington, DC, June 10, 1998.

Hon. HENRY HYDE
Chairman, House Committee on the Judiciary, Washington, DC.

DEAR REPRESENTATIVE HYDE: On behalf of the Law Enforcement Steering Committee (LESC), I write to request your support of H.R. 3839, the Federal Law Enforcement Officers Good Samaritan Act of 1998. The LESC is a nonpartisan coalition of police organizations collectively representing over 500,000 law enforcement officers and managers nationwide.

This bill, introduced by Senator Chuck Grassley in 1997, would provide full legal protection for federal law enforcement officers who intervene in certain situations to prevent loss of life or serious bodily injury to a citizen. This bill, if enacted, would offer legal protection to federal law enforcement officers who unexpectedly encounter and take action to prevent a violent crime in progress or to assist in an emergency. The bill does not expand the investigative authority or jurisdiction of any federal agency. The bill has the support of the Fraternal Order of Police, the National Organization of Black Law Enforcement Executives, the National District Attorney's Association, and many other law enforcement organizations. The citizens of the United States would benefit in that the country's well trained and equipped law enforcement officers would be encouraged to assist the public. Federal law enforcement officers would benefit in the knowledge that the Congress of the United States supports them when they take appropriate action to help a citizen in need.

It is our desire to see this bill enacted during the 105th Congress. We would appreciate your assistance in this effort.

Sincerely,

ROBERT L. STEWART,
Chairman.

THE LAW ENFORCEMENT
STEERING COMMITTEE,
Washington, DC, June 10, 1998.

Hon. JOHN CONYERS
Ranking Member, House Committee on the Judiciary, Washington, DC.

DEAR REPRESENTATIVE CONYERS: On behalf of the Law Enforcement Steering Committee (LESC), I write to request your support of H.R. 3839, the Federal Law Enforcement Officers Good Samaritan Act of 1998. The LESC is a nonpartisan coalition of police organizations collectively representing over 500,000 law enforcement officers and managers nationwide.

This bill, introduced by Senator Chuck Grassley in 1997, would provide full legal protection for federal law enforcement officers who intervene in certain situations to prevent loss of life or serious bodily injury to a citizen. This bill, if enacted, would offer legal protection to federal law enforcement officers who unexpectedly encounter and take action to prevent a violent crime in progress or to assist in an emergency. The bill does not expand the investigative authority or jurisdiction of any federal agency. The bill has the support of the Fraternal Order of Police, the National Organization of Black Law Enforcement Executives, the National District Attorney's Association, and many other law enforcement organizations. The citizens of the United States would benefit in that the country's well trained and equipped law enforcement officers would be encouraged to assist the public. Federal law enforcement officers would benefit in the knowledge that the Congress of the United States supports them when they take appropriate action to help a citizen in need.

It is our desire to see this bill enacted during the 105th Congress. We would appreciate your assistance in this effort.

Sincerely,

ROBERT L. STEWART,
Chairman.

Mr. CAMPBELL. Mr. President, I ask unanimous consent that this amendment be temporarily set aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CAMPBELL. I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. HARKIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HARKIN. Mr. President, what is the order of business? I have an amendment I wish to send to the desk. Is that proper to do so at this time?

The PRESIDING OFFICER. It is proper to do so.

AMENDMENT NO. 3387

(Purpose: To provide additional funding to reduce methamphetamine usage in High Intensity Drug Trafficking Areas)

Mr. HARKIN. I have an amendment I send to the desk.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Iowa [Mr. HARKIN], for himself and Mrs. MURRAY, proposes an amendment numbered 3387.

Mr. HARKIN. I ask unanimous consent reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place in the bill add the following:

On page 39, strike lines 10 through 12 and insert in lieu thereof the following: ''Area Program, $179,007,000 for drug control activities consistent with the approved strategy for each of the designated High Intensity Drug Trafficking Areas, of which $8,000,000 shall be used for methamphetamine programs above the sums allocated in fiscal year 1998 and otherwise provided for in this legislation with no less than half of the $8,000,000 going to areas solely dedicated to fighting methamphetamine usage and in addition no less than $1,000,000 of the $8,000,000 shall be allocated to the Cascade High Intensity Drug Trafficking Areas, of which''

Amend page 50, line 20 by reducing the dollar figure by $8,000,000;

Amend page 52, line 13 by reducing the dollar figure by $8,000,000.

Mr. HARKIN. Mr. President, there is a plague sweeping across our Nation. It is ruining an untold number of lives, claiming countless numbers of our children. It is in our streets as well as our classrooms. Drugs have become more abundant. But there is a new drug, one that is far more addictive and readily available than heroin, cocaine, or any other illegal narcotic. Methamphetamine is becoming the leading addictive drug in this Nation. From the suburbs, to city streets, to the corn rows of Iowa, meth is destroying thousands of lives every year. The majority of those lives, unfortunately, are our children.

Methamphetamine is commonly referred to as Iowa's drug of choice in my State. It is reaching epidemic proportions as it sweeps from the west coast, ravages through the Midwest, and is now beginning to reach the east coast. The trail of destruction of human lives as a result of methamphetamine addiction stretches across America.

To illustrate the violence that meth elicits in people, methamphetamine is cited as a contributing factor in 80 percent of domestic violence cases in my State, and a leading factor in a majority of violent crimes. I recently introduced the Comprehensive Methamphetamine Control Act which I think will get support and get through the Senate. But I offer this amendment today as an opportunity to take immediate action to help our Nation's law enforcement in their war on methamphetamine.

This amendment makes a simple and modest request, taking $8 million in certain offsets and puts those dollars where they can do real good to combat the growing problem of methamphetamine.

These funds will be added to the High Intensity Drug Trafficking Areas Program to be used for increased enforcement and prosecution of meth dealers, additional undercover agents, and to help pay for the tremendous cost of confiscation and cleanup of clandestine meth labs.

The number of meth arrests, court cases, and confiscation of labs continues to escalate. The number of clandestine meth labs confiscated and destroyed in 1998 is on pace to triple the number that was confiscated in 1997—so triple this year over last year. The cost of cleaning up each lab ranges from $5,000 to $90,000. This cost is being absorbed by communities who are not prepared or experienced to deal with the dangers of methamphetamine.

These clandestine meth labs create an enormous amount of hazardous waste. For every 1 pound of methamphetamine produced, there are 5 to 6 pounds of hazardous waste as a byproduct. This waste is highly toxic and seeps into the ground where eventually it ends up in our drinking water supply.

The dangers posed to law enforcement officers are also greatly increased by these meth labs. Many peddlers of meth have now what they call ''kitchen'' labs. Meth pushers are now simply using mobile homes or even pickup trucks to produce their drugs. Combining many volatile chemicals in an uncontrolled environment, meth labs are time bombs to police officers and communities everywhere.

I believe we have a window of opportunity as a nation to take a stand right now to defeat this scourge. This amendment will not solve all of these problems, but it will give law enforcement the support that they vitally need in their efforts to defeat this dangerous drug.

Mr. President, family after family is being devastated across the Midwest. In my State, I have seen methamphetamine skyrocket in its use—the importation in the State and the development of these methamphetamine labs in the State of Iowa. Communities are trying to fight this, but they do not have the resources. Children are being lost and getting hooked to this deadly drug every day. So the time now is to do whatever we can to try to halt the growth of these meth labs, to give our high-intensity drug traffic areas the tools that they need to stop this drug, to help our communities, and most importantly to help our law enforcement officials.

Mr. CAMPBELL addressed the Chair.

The PRESIDING OFFICER. The Senator from Colorado.

Mr. CAMPBELL. Mr. President, I want to assure the Senator we are doing our very best to find a resolution in the funding of this. We have four that we are working with. And just in my own personal experience of having worked with several, particularly one in Denver, CO, I am certainly aware of the good work that they do in coordinating local, State, tribal and Federal law enforcement agencies so they are not duplicating their efforts and so that these agencies can share ideas and share resources.

The Senator's comments certainly underscore the importance of trying to stop the growth of the methamphetamine labs. These things are volatile. They are mobile. They are contaminative, so even when you do go through an expensive process of cleaning them up, you still have to worry about what it has done to contaminate the area, particularly the earth.

So I just want to assure him, we are working very hard to find a resolution to make sure they are all funded properly. I thank the Senator for his comments.

Mr. HARKIN. I thank the chairman. I know of his great interest in this area. And I know of his great support for our law enforcement agencies to crack down on the methamphetamine labs. I know your chairman is having the same experience out in his State, too, as we are in Iowa. I understand that you and the chairman, and Senator KOHL, are working on putting all this together. Obviously, it would be my intention to withdraw the amendment if this whole thing gets worked out. I am sure that we will get it worked out.

I thank the Senators.

Mr. CAMPBELL. I thank the Senator for his comments.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. CAMPBELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 3388

(Purpose: To provide funding for Customs drug interdiction and High Intensity Drug Trafficking Areas)

Mr. CAMPBELL. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. Without objection, the Harkin amendment is set aside.

The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Colorado [Mr. CAMPBELL], for himself, and Mr. KOHL, proposes an amendment numbered 3388.

Mr. CAMPBELL. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place, strike and insert the following:

On page 10, line 14, strike through Page 10, line 20.

On page 17, line 7, strike ''98,488,000,'' and insert in lieu thereof ''113,488,000,''

On page 17, line 20 strike ''1999.'' and insert in lieu thereof ''1999: *Provided further*, That of the amount provided, $15,000,000 shall be made available for drug interdiction activities in South Florida and the Caribbean.''

On page 39, line 10 strike ''171,007,000'' and insert in lieu thereof ''183,977,000''.

On page 39, line 19 after ''criteria,'' insert ''and of which $3,000,000 shall be used to continue the recently created Central Florida High Intensity Drug Trafficking Area, and of which $1,970,000 shall be used for the addition of North Dakota into the Midwest High Intensity Drug Trafficking Area, and of which $7,000,000 shall be used for methamphetamine programs otherwise provided for in this legislation with not less than half of the $7,000,000 shall expand the Midwest High Intensity Drug Trafficking Area, and of which $1,000,000 shall be used to expand the Cascade High Intensity Drug Trafficking Area, and of which $1,500,000 shall provided to the Southwest Border High Intensity Drug Trafficking Area,''

Mr. DEWINE. Mr. President, last week I introduced legislation that would bring a new, comprehensive strategy to America's effort against illegal drugs.

The Western Hemisphere Drug Elimination Act would support enhanced drug interdiction efforts in the major transit countries, and support a comprehensive supply eradication and crop substitution program in source countries. This legislation has 16 other Senate cosponsors.

Mr. President, this is a $2.6 billion authorization initiative over 3 years for enhanced international eradication, interdiction and crop substitution efforts. This important counter-drug initiative would restore a balanced drug control strategy by renewing our nation's commitment to international eradication and interdiction efforts—efforts that have proven successful in reducing the trafficking and use of illegal drugs. I believe that this is an important investment in the future of America—and the future of our children.

The day after the new drug initiative was introduced, I offered an amendment to the Transportation appropriations bill to provide much-needed resources for the U.S. Coast Guard—resources that will increase their drug interdiction capability. Other cosponsors of this amendment included Senators COVERDELL, GRAHAM, BOND, FAIRCLOTH, and GRASSLEY. This amendment, which was agreed to by voice vote, accomplishes two goals: First, it increases funds available for equipment devoted to drug interdiction by approximately $37.5 million. Second, the amendment sets aside resources needed to restore a much-needed drug interdiction operation in the Caribbean—an operation which I had the opportunity to visit earlier this year.

Today, I rise again with Senators COVERDELL, GRAHAM, BOND, FAIRCLOTH, GRASSLEY, and MACK to introduce an amendment to the Treasury, Postal appropriations bill. Specifically, we seek $15 million for enhanced drug interdiction efforts for the U.S. Customs Service in South Florida and the Caribbean.

Mr. President, in May, I traveled to the Caribbean for a very short—36-hour—visit to look at our interdiction operations there. I visited with U.S. Customs officials in Key West, Florida. It was on this very trip that I gained a greater appreciation of the actual difficult task of drug interdiction. I learned that it is far from an easy task—it is in fact highly dangerous.

U.S. Customs officials showed me video tapes of U.S. Customs go-fast boats pursuing Colombian go-fast boats in the middle of the night in high waves—waves that reached 5 or 6 feet. The videos showed Colombian boats ramming into our boats.

One of the key problems I learned about on that trip was that U.S. Customs has very few go-fast boats—and the ones they have lack 1990's technology. Our boats have a top speed of 70 mph—while Colombian boats can reach 80 or 90 mph. I rode in one of our go-fast boats in Key West during a mock chase—and I can tell you that even during the day and in low waves, this is dangerous work.

There can be no doubt that our U.S. Customs agents in Florida and the Caribbean need more equipment, better equipment dedicated to drug interdiction, and more personnel. Since 1986, the number of U.S. Customs vessels has decreased from 77 to 30. There has also

been a significant decrease in maritime officers, from 124 to 23. In fact, U.S. Customs no longer runs a 7-day, 24-hour drug interdiction operation.

Mr. President, the amendment I offer today would provide U.S. Customs with more go-fast boats and more manpower for South Florida and the Caribbean. Let me tell you what this amendment would accomplish.

First, it would refurbish 22 interceptor and Blue Water Platform Boats. The interceptor boats are what is known as ''go-fast boats.'' The Blue Water Platform Boats are for deep waters and have command and control capability—these vessels can accommodate satellite communications equipment and radar to communicate with the interceptor boats to enable them to better interdict the drug traffickers. Right now, these 22 vessels cannot be used because of lack of funding for refurbishment. This small amount of money will make a huge, huge difference. The amendment would also appropriate money for 9 new interceptor go-fast boats.

The amendment would also provide money for the hiring and training of 30 special agents—criminal investigators—for maritime operations. Finally, the amendment would provide resources for overhead coverage and operation and maintenance in the Caribbean.

Mr. President, this is a very important amendment which will accomplish a lot with a small amount of resources. The amendment has bipartisan support.

Mr. President, I see the distinguished Chairman and the Ranking Member of the Treasury, Postal Service, and General Government Subcommittee, Senator CAMPBELL and Senator KOHL. I thank them for their cooperation with this bipartisan amendment.

First, I want to make clear that I intend to work with the conferees and the Treasury Department on alternatives to fund this amendment. While an offset has been identified in order to pay for this amendment, I want to work with them to find alternatives.

Mr. CAMPBELL. I appreciate the efforts of the Senator from Ohio—first in offering this very important amendment and for his diligence in seeking additional funds for the U.S. Customs Service. I look forward to working with him on this important issue and we will work to address any remaining items during conference.

Mr. KOHL. I too appreciate the Senator from Ohio's efforts in seeking additional funds for the U.S. Customs Service to better interdict drug traffickers. I look forward to working with him to find an appropriate offset for this amendment.

Mr. DEWINE. Mr. President, again, I would like to express my thanks to the chairman and the ranking member of the Treasury, Postal Service, and General Government Subcommittee for their efforts to assist me and the distinguished list of cosponsors of this amendment. I also extend my thanks to the staff of the subcommittee for their efforts, which were nothing less than first rate.

Mr. President, this amendment today is another important step toward restoring a balanced drug interdiction strategy. I expect there will be many more steps in the future—steps that are needed if we are going to restore a truly balanced, truly effective drug control strategy. This amendment represents a bipartisan effort to make a targeted and specific investment in stopping drugs before they reach America. It will take similar efforts over the course of the next 3 years to bring our drug strategy back into balance, and most important, back on the course of reducing drug use in our homes, schools, and communities.

I thank the chair and I yield the floor.

Mr. CAMPBELL. This amendment deals with funding for Customs drug addiction, and High-Intensity Drug Trafficking Areas.

This amendment has been agreed to by both sides of the aisle. It accommodates Senators, DEWINE, CONRAD, HARKIN, GRAHAM, MACK, COVERDELL, BOND, FAIRCLOTH, GRASSLEY, BINGAMAN, and MURRAY.

I urge its adoption.

The PRESIDING OFFICER. Is there further debate on the amendment?

Without objection, the amendment is agreed to.

The amendment (No. 3388) was agreed to.

Mr. CAMPBELL. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. KOHL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 3389

(Purpose: To express the sense of the Senate regarding payroll tax relief)

Mr. KOHL. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Wisconsin [Mr. KOHL], for Mr. KERREY, proposes an amendment numbered 3389.

Mr. KOHL. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

SECTION 1. SENSE OF THE SENATE REGARDING THE REDUCTION OF PAYROLL TAXES.

(a) FINDINGS.—The Senate finds the following:

(1) The payroll tax under the Federal Insurance Contributions Act (FICA) is the biggest, most regressive tax paid by working families.

(2) The payroll tax constitutes a 15.3 percent tax burden on the wages and self-employment income of each American, with 12.4 percent of the payroll tax used to pay social security benefits to current beneficiaries and 2.9 percent used to pay the medicare benefits of current beneficiaries.

(3) The amount of wages and self-employment income subject to the social security portion of the payroll tax is capped at $68,400. Therefore, the lower a family's income, the more they pay in payroll tax as a percentage of income. The Congressional Budget Office has estimated that for those families who pay payroll taxes, 80 percent pay more in payroll taxes than in income taxes.

(4) In 1996, the median household income was $35,492, and a family earning that amount and taking standard deductions and exemptions paid $2,719 in Federal income tax, but lost $5,430 in income to the payroll tax.

(5) Ownership of wealth is essential for everyone to have a shot at the American dream, but the payroll tax is the principal burden to savings and wealth creation for working families.

(6) Since 1983, the payroll tax has been higher than necessary to pay current benefits.

(7) Since most of the payroll tax receipts are deposited in the social security trust funds, which masks the real amount of Government borrowing, those whom the payroll tax hits hardest, working families, have shouldered a disproportionate share of the Federal budget deficit reduction and, therefore, a disproportionate share of the creation of the Federal budget surplus.

(8) Over the next 10 years, the Federal Government will generate a budget surplus of $1,550,000,000,000, and all but $32,000,000,000 of that surplus will be generated by excess payroll taxes.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that—

(1) if Congress decides to use the Federal budget surplus to provide tax relief the payroll tax should be reduced first; and

(2) Congress and the President should work to reduce this tax which burdens American families.

Mr. KOHL. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. KOHL. Mr. President, I ask unanimous consent that the amendment be laid aside in keeping with the prior unanimous consent.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KOHL. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. CAMPBELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

UNANIMOUS CONSENT AGREEMENT—AMENDMENT NO. 3356

Mr. CAMPBELL. Mr. President, I now ask unanimous consent that, notwithstanding the previous consent, it be in order on Thursday for the managers to offer a modification to amendment No. 3356, which was previously adopted.

The PRESIDING OFFICER. Without objection, it is so ordered.

DASCHLE MARRIAGE PENALTY AMENDMENT

Mr. BYRD. Mr. President, earlier today I voted to table an amendment to the Treasury-Postal Service appropriations bill that had been offered by the distinguished Democratic leader, Senator DASCHLE. So there will be no confusion with respect to my position on this issue, I wish to advise my colleagues of the reason for my opposition.

First, I am, as are others, deeply concerned with that anomaly in the tax code known as the ''marriage penalty.'' I can think of no rational reason why two individuals—individuals who have vowed a lifelong commitment to each other through the sacred institution of marriage—should, in certain cases, have their combined income taxed at a higher rate than that of two unmarried persons. At a time of declining social values, it simply does not make sense for the Congress to sanction policies which clearly work to the detriment of family stability.

However, despite this concern, I could not, in all good conscience, support the Daschle amendment for the most basic of reasons, namely, that Article I, section 7 of the Constitution of the United States requires that all revenue bills originate in the House of Representatives, not here in the Senate. As I am sure my colleagues know, that is a prerogative that the House vigorously defends. Consequently, I believe that had the Daschle amendment been adopted to the Treasury-Postal appropriations bill, which is a Senate-originated bill, that that bill would have been subjected to a constitutional point of order in the House. In short, adoption of the Daschle amendment would have killed this very important appropriations measure.

Again, Mr. President, notwithstanding my vote earlier today, I wish my colleagues to know that I remain committed to working toward the goal of alleviating the marriage penalty in the tax code.

Mr. FAIRCLOTH. I would like to engage in a colloquy with Senator CAMPBELL from Colorado.

Mr. CAMPBELL. I would welcome the opportunity to engage in a colloquy with my colleague from North Carolina.

Mr. FAIRCLOTH. Mr. President, as you know there has been severe financial turmoil in Asia. This has lead to a dramatic increase in the trade deficit. It is my understanding that exports from Asian nations are up significantly, particularly with respect to textiles. This is an important industry to my home State of North Carolina. My principal concern is that when quotas are met, there will be an attempt to illegally ship textiles into this country through other countries, like Mexico. This is a process known as ''transhipment.'' As you know, the U.S. Customs Service has frontline responsibility for enforcing the laws that would bar illegal shipments into this country. We have already written our Senate report, but I would hope that in Conference you would advocate report language that would encourage the Customs Service to step up their enforcement activities in this area.

Mr. CAMPBELL. I certainly agree with the Senator that this is an important issue and I will work with you on that. We are running high trade deficits. I will certainly work with the gentleman to encourage the Customs Service to work diligently to stop illegal textile shipments into the United States. I thank the gentleman for raising this issue, I think it is one that deserves our attention and the attention of the administration.

Mr. FAIRCLOTH. I thank the Senator from Colorado and I look forward to working with him on this issue in conference.

Mr. TORRICELLI. It has come to our attention that concerns have been raised regarding report language in the Treasury-General Government Appropriations bill on tax standards for tax-exempt health clubs. We would like to enter into a colloquy to clarify our intent in including the report language.

Mr. KOHL. I am pleased to have this opportunity to address the concerns that have been raised. The issue of tax-exempt health clubs has been of concern in my home State of Wisconsin. However, I share the Senator from New Jersey's desire to clarify the intent of the report language. In so doing, we also have the opportunity to emphasize that no one wishes to harm community service organizations who are legitimately using their tax-exempt status to serve our young people, our families, and our seniors through a variety of health-related programs, including health and fitness programs.

Ms. MOSELEY-BRAUN. I, too, share Senator KOHL's concerns and want to be clear that long-standing community service providers engaged in legitimate tax-exempt activities related to their central mission will not be targeted by this study. I am also concerned, however, that some tax-exempt organizations are moving away from their core purpose and that there are legitimate concerns as to whether they are engaging in commercial competition with the for-profit sector. Was it the Committee's intent to address this concerns?

Mr. KOHL. Yes, it was. But while addressing those concerns, we certainly do not wish the Internal Revenue Service [IRS] to reinvent the wheel. The IRS has issued several private letter rulings and technical advice memoranda (including Technical Advice Memorandum 8502002) over the past years regarding the circumstances when adult fitness can be a charitable activity. It is my understanding that these rulings have stated that adult fitness is a charitable activity as long as the program serves a broad section of the community.

Mr. TORRICELLI. While considering current business practices, we would expect the IRS to focus on adult fitness provided by tax-exempt organizations that serve only adults.

Ms. MOSELEY-BRAUN. As a member of the Senate Finance Committee, I want to state that it is my understanding this report will in no way require the IRS to effect any changes in current tax policy. It only asks the IRS to provide clear guidance for examining the issue in light of new market factors that may need to be considered.

Mr. KOHL. I appreciate your input. I Know Senator GRASSLEY will also have a statement on this issue, and that I and the Senator from Colorado would certainly be happy to work with any and all group that may have further concerns as we prepare to conference the Treasury-General Government Appropriations bill with the House.

Mr. GRASSLEY. I rise today to express my concern about some language included in Senate report that accompanies this bill. This language is not in the House report. This Senate language directs the Internal Revenue Service to review the legal standards and decisions the IRS utilizes in determining when fitness services and activities of tax-exempt organizations should be subject to unrelated business income tax. The stated intent of this review is to insure that tax-exempt health clubs are not unfairly competing with for-profit health clubs. I am afraid that the effect of this language will be to harm non-profit community organizations. Is this the intent of the language?

Mr. CAMPBELL. No, it is not. This language is not intended to harm non-profit community organizations.

Mr. GRASSLEY. These non-profit community organizations provide a unique variety of programs based on community needs. Some of the programs offered are child care, Head Start, GED classes, job training, substance abuse prevention, delinquency prevention, teen centers, counseling, and health and fitness for all children, youth, families, and adults. They have partnerships with public housing projects, juvenile courts and schools. It is of utmost importance to me that the Congress not urge the IRS to change current IRS policies in a way that will hurt our communities and our families. The IRS has determined that adult fitness is a charitable activity as long as the organization serves a broad segment of the community. does the committee intend that this determination be changed?

Mr. CAMPBELL. No, it is not the committee's intent to change this determination because it would hurt the poor and the young—the very people who benefit most from these community organizations. I agree that it is important that these non-profit community organizations are able to continue to provide their health, fitness, and other services to both adults and children. I would be glad to work with you to insure that any language included in the conference report takes

into account the unique aspects of these community organizations, and does not unfairly target them.

Mr. GRASSLEY. I thank the Senator from Colorado.

ATF ARSON TASK FORCES

Mr. HATCH. Mr. President, I see my friend and colleague, Senator CAMPBELL, on the floor. I would like to briefly discuss with him a concern I have relating to BATF arson task forces.

Mr. CAMPBELL. I would be glad to respond to my friend from Utah.

Mr. HATCH. I thank the manager of the bill for his courtesy. I was very pleased to note that the committee report accompanying this bill specifically notes that the program objectives of the BATF include assisting ''Federal, State, and local investigative and regulatory agencies in explosives and arson-related areas.''

Until recently, BATF was involved in just such a program in my State of Utah, where in the past year there has been a very troubling escalation of arsons connected with the animal rights movement. Utah has experienced a string of animal rights terrorism arsons, including an attack on a West Jordan McDonald's, the firebombing of a Murray mink co-op, and numerous other arsons.

I am very concerned, however, by reports last week that the BATF has withdrawn the last remaining agent assigned to this task force, leading to its imminent disbandment. I believe this will have a serious negative effect on counter-terrorism efforts in Utah, and will send the wrong message to those pursuing social and political goals through violence.

I think the Utah task force is exactly the type of program the Subcommittee has in mind, and I would like to ask Senator CAMPBELL if he agrees.

Mr. CAMPBELL. The Senator from Utah is correct. The arson task force he describes is exactly the kind of program the Subcommittee wishes the BATF to engage in.

Mr. HATCH. Would the Chairman also agree that BATF should devote sufficient resources to ensure the continued viability of these efforts?

Mr. CAMPBELL. I agree with the Senator that disbanding a successful taskforce sends the wrong message to arsonists.

Mr. HATCH. I would appreciate the Senator working with me to address my concerns over the BATF's withdrawing support for this important task force.

Mr. CAMPBELL. I would be happy to work with Senator HATCH to address his concerns, and ensure that BATF dedicates necessary resources to arson task forces such as the one he describes.

Mr. HATCH. I thank Senator CAMPBELL for his assistance and his courtesy, and yield the floor.

REDUCING THE NUMBER OF EXECUTIVE BRANCH POLITICAL APPOINTMENTS

Mr. FEINGOLD. Mr. President, in the past, the Treasury-Postal Appropriations bill has been the vehicle for proposals relating to an area of great concern to me; namely, growing numbers of executive branch political appointees, and I want to offer a few comments on this matter.

I was pleased to introduce legislation early in this session to address this issue. That bill, S. 38, would cap the total number of political appointees at 2,000, and I am pleased to be joined in that effort by my good friend, the Senior Senator from Arizona (Mr. MCCAIN). Our proposal to cap the number of political appointees has been estimated by CBO to save $330 million over five years.

Mr. President, our bill was based on the recommendations of a number of distinguished panels, including most recently, the Twentieth Century Fund Task Force on the Presidential Appointment Process. The task force findings are only the latest in a long line of recommendations that we reduce the number of political appointees in the Executive Branch. For many years, the proposal has been included in CBO's annual publication, ''Reducing the Deficit: Spending and Revenue Options,'' and it was one of the central recommendations of the National Commission on the Public Service, chaired by former Federal Reserve Board Chairman Paul Volcker.

Mr. President, our proposal is also consistent with the recommendations of the Vice President's National Performance Review, which called for reductions in the number of federal managers and supervisors, arguing that ''over-control and micro management'' not only ''stifle the creativity of line managers and workers, they consume billions per year in salary, benefits, and administrative costs.''

Those sentiments were also expressed in the 1989 report of the Volcker Commission, when it argued the growing number of presidential appointees may ''actually undermine effective presidential control of the executive branch.'' The Volcker Commission recommended limiting the number of political appointees to 2,000, as our legislation does.

Mr. President, it is essential that any Administration be able to implement the policies that brought it into office in the first place. Government must be responsive to the priorities of the electorate. But as the Volcker Commission noted, the great increase in the number of political appointees in recent years has not made government more effective or more responsive to political leadership.

Between 1980 and 1992, the ranks of political appointees grew 17 percent, over three times as fast as the total number of Executive Branch employees and looking back to 1960 their growth is even more dramatic. In his recently published book ''Thickening Government: Federal Government and the Diffusion of Accountability,'' author Paul Light reports a startling 430% increase in the number of political appointees and senior executives in Federal government between 1960 and 1992.

In recommending a cap on political appointees, the Volcker Commission report noted that the large number of presidential appointees simply cannot be managed effectively by any President or White House. This lack of control is aggravated by the often competing political agendas and constituencies that some appointees might bring with them to their new positions. Altogether, the Commission argued that this lack of control and political focus ''may actually dilute the President's ability to develop and enforce a coherent, coordinated program and to hold cabinet secretaries accountable.''

The Volcker Commission also reported that the excessive number of appointees is a barrier to critical expertise, distancing the President and his principal assistants from the most experienced career officials. Though bureaucracies can certainly impede needed reforms, they can also be a source of unbiased analysis. Adding organizational layers of political appointees can restrict access to important resources, while doing nothing to reduce bureaucratic impediments.

Author Paul Light says, ''As this sediment has thickened over the decades, presidents have grown increasingly distant from the lines of government, and the front lines from them.'' Light adds that ''Presidential leadership, therefore, may reside in stripping government of the barriers to doing its job effectively. . .''

Mr. President, the report of the Twentieth Century Fund Task Force on the Presidential Appointment Process identified another problem aggravated by the mushrooming number of political appointees; namely, the increasingly lengthy process of filling these thousands of positions. As the Task Force reported, both President Bush and President Clinton were into their presidencies for many months before their leadership teams were fully in place. The Task Force noted that ''on average, appointees in both administrations were confirmed more than eight months after the inauguration—one-sixth of an entire presidential term.'' By contrast, the report noted that in the presidential transition of 1960, ''Kennedy appointees were confirmed, on average, two and a half months after the inauguration.''

In addition to leaving vacancies among key leadership positions in government, the appointment process delays can have a detrimental effect on potential appointees. The Twentieth Century Fund Task Force reported that appointees can ''wait for months on end in a limbo of uncertainty and awkward transition from the private to the public sector.''

Mr. President, there is little doubt that the large number of political appointments currently made aggravates a cumbersome process, even in the best of circumstances. The long delays and

logjams created in filling these positions under the Bush and Clinton Administrations simply illustrates another reason why the number of positions should be cut back.

Mr. President, let me also stress that the problem is not simply the initial filling of a political appointment, but keeping someone in that position over time. The General Accounting Office reviewed a portion of these positions for the period of 1981 to 1991, and found high levels of turnover—7 appointees in 10 years for one position—as well as delays, usually of months but sometimes years, in filling vacancies.

Mr. President, I was pleased to see the Government Affairs Committee beginning to examine issues surrounding political appointees and the political appointment process. The issues of vacancy rate, turnover, delays in the appointment process, and of course the total number of appointees, all merit scrutiny by that Committee, and I would very much like to work with Chairman THOMPSON and the Committee in crafting a bipartisan response to the set of problems that have been identified in this area.

I am also encouraged that the Administration is moving forward as well. The total number of appointees is down from last year, and down significantly from the levels seen in 1992. This is a healthy trend, and I very much hope it continues.

Mr. President, because the Government Affairs Committee is examining a variety of issues surrounding the presidential appointment process, and with the modest improvements in the overall number of political appointees, I will not pursue an amendment to the Treasury-Postal Appropriations measure capping the number of political appointees.

I will, however, continue to monitor the progress made both by the Government Affairs Committee and the Administration. This issue is important not only because of the potential to realize significant deficit reduction, but also because of the impact the appointees have on the day to day functioning of government.

As we move forward to implement the NPR recommendations to reduce the number of government employees, streamline agencies, and make government more responsive, we should also right size the number of political appointees, ensuring a sufficient number to implement the policies of any Administration without burdening the Federal budget with unnecessary, possibly counterproductive political jobs.

RANDOM AUDITS BY THE IRS

Mr. COVERDELL. Mr. President, I rise today to express my appreciation to the managers for accepting an amendment to S. 2312, the FY 1999 Treasury-Postal Service Appropriations bill, regarding the practice of randomly selecting innocent taxpayers for audits, otherwise known as random audits. This is an issue that has been a focus of mine for a long time. I would like to take this opportunity to discuss this matter with my good friend, the senior Senator from Colorado and the manager of the bill, who shares my concern about the impact the Internal Revenue Service has upon taxpayers and the potential for abuse of taxpayers' rights.

Mr. CAMPBELL. Indeed, I share many of the concerns of Senator COVERDELL regarding taxpayer rights. I commend the Senator for his tenacious work on behalf of taxpayers, particularly low-income taxpayers who are least able to defend themselves. This amendment the Senator offers presents a critical foundation upon which the Senate can build.

Mr. COVERDELL. I thank my good friend. Over the past several years, all of us have seen news accounts of regular, average citizens who have become the targets of grueling IRS audits. These individuals were neither wealthy nor powerful; in fact, they were most often ordinary, law-abiding taxpayers who earned a modest wage, ran a small business, or operated a family farm. Some struggled just to make ends meet, and many were understandably confused about what wrong they had committed to justify the scrutiny of the IRS.

The truth is they committed no wrong. They were simply unfortunate victims of a scandalous IRS practice called ''random audits,'' where the IRS just picks people out of a hat in the hope it can uncover some wrongdoing.

A recent report produced by the General Accounting Office at my request confirms that the IRS has been targeting thousands of poor taxpayers and small businesses for random audits. In fact, almost 95 percent of all random audits performed between 1994 and 1996 were conducted on individual taxpayers who earned less than $25,000 each year.

Last fall, hearings held by the Senate Finance Committee brought the IRS's abuse of taxpayers to the attention of the entire Nation. One witness, Jennifer Long, who is a current field agent with the IRS, remarked, ''As of late, we seem to be auditing only the poor people. The current IRS Management does not believe anyone in this country can possibly live on less than $20,000 per year, insisting anyone below that level must be cheating by understating their true income.''

The IRS' belief that low-income families are more likely to cheat than others serves as a disturbing sign of how far it has strayed from the principles of American justice. The GAO report also indicates that the IRS has been specifically targeting the State of Georgia for random audits. Nearly twice as many random audits took place in Georgia between 1994 and 1996 than in all the New England states combined and Georgians are three-times more likely to be randomly audited than their California counterparts. Earlier this year, I introduced legislation to prohibit the use of random audits by the IRS and will continue to protect innocent taxpayers.

AMENDMENT OF THE GUN CONTROL ACT TO EXEMPT CERTAIN MUZZLE LOADING WEAPONS FROM REGULATION

Mr. GRASSLEY. Mr. President, according to the amendment, would the Knight DISC rifle manufactured in my State fall under the definition of a muzzle loader, or a regulated firearm?

Mr. CAMPBELL. The Knight DISC rifle would be defined as a muzzle loader.

Mr. GRASSLEY. Mr. President, with regard to the amendment of the Gun Control Act to Exempt Certain Muzzle Loading Weapons from Regulation (''the amendment''), in subparagraph (c), did the Committee intend ''fixed ammunition'' to mean a completed centerfire or rimfire cartridge?

Mr. CAMPBELL. Yes, for the purposes of the amendment, fixed ammunition is defined as a complete centerfire or rimfire cartridge.

Mr. GRASSLEY. Mr. President, subparagraph (c) of the amendment states that the term ''antique firearm'' shall not include any weapon which incorporates a firearm frame or receiver . . .'' However, the amendment does not define the terms firearm frame or receiver.

Mr. CAMPBELL. For the purpose of the amendment, a firearm frame or receiver is defined as a serial numbered firearm frame or receiver.

Mr. GRASSLEY. Mr. President, the first sentence of subparagraph (c) of the amendment does not address the types of ignition systems which would fall within the definition of muzzle loading rifles.

Mr. CAMPBELL. The Committee did not address the issue of ignition systems because muzzle loaders may use black powder or a black powder substitute with any ignition system.

BLUE WATER VESSELS

Ms. SNOWE. Mr. President, I would like to take a moment to address my colleagues on a matter of critical importance to our national drug interdiction program.

I am very concerned about the condition of some of the currently deployed drug interdiction vessels. I understand that some of the vessels currently deployed in the U.S. Customs Service's marine program fleet are 30 years old and may pose a threat to U.S. Customs Service agents and the viability of our drug interdiction program.

The Customs Service already has a contract to build replacement vessels on demand. However, this contract will expire at the end of FY 1999, and no vessels have been purchased to date. I believe the Customs Service should extend this contract and make efforts to replace aging vessels in the field a high priority.

Mr. CAMPBELL. I thank Senator SNOWE for bringing this serious matter to our attention. I certainly understand and share her concerns about the importance of operating these drug interdiction vessels in a safe condition.

Ms. SNOWE. In recent years, drug seizures by the Customs Service have

increased significantly. This progress is due in no small part to the Customs agents who put their lives on the line to help stem the flow of illegal narcotics into the United States. Protecting our borders and reducing the proliferation of narcotics is an enormous challenge.

It is imperative that we maintain the viability of our drug interdiction program and the fleet we use to enforce our drug laws on the high seas. I believe procurement of drug interdiction vessels would be an invaluable investment in our drug interdiction program.

In 1995, the U.S. Customs Service entered into a contract to build 82-foot ''blue water'' vessels for drug interdiction. As I mentioned, the contract was effective through FY 1999 but no vessel has been built.

These vessels have a proven track record, and the contract was awarded by Customs in anticipation of resources for replacement vessels. However, the FY 1995 budget request proposed a 50-percent reduction in Customs marine program operations and staffing. The Congress restored some of the funding for this program. However, no additional funds were appropriated to Customs for the replacement costs of vessels.

Mr. CAMPBELL. The Customs Service has certainly had to make difficult choices in the marine program under budget constraints. However, I recognize the importance of these vessels to drug interdiction efforts.

Ms. SNOWE. I am grateful to Senator CAMPBELL and Senator KOHL for their leadership on this important program. In the Committee's report on FY 1999 Customs' appropriations, the Committee recognizes the importance of the blue water vessels as a central component of the marine interdiction strategy, and urges the Customs Service to maintain its fleet of blue water vessels at a level which is safe for its agents.

I understand the delicate funding balance that the Customs Service and the Committee must strike. I had hoped to see some replacement blue water vessels built in FY 1999. Unfortunately, it was not possible to allocate the funding for this purpose this year. However, we should not let this opportunity to upgrade these vessels slip by—I believe we should ensure that the option to fund these vessels remains in the event that funding becomes available next year.

Again, Customs already has a contract to build these vessels on demand scheduled to expire in the 1999 fiscal year. I strongly believe that Customs should extend this contract.

Mr. CAMPBELL. I agree that the U.S. Customs Service should revisit this issue.

Ms. SNOWE. Again, I applaud the leadership of the Committee on this matter, and thank them for their cooperation. I look forward to working with the Committee on this continuing and important effort in the future.

MARRIAGE PENALTY AMENDMENTS

Mr. DODD. Mr. President, I rise today to offer my views on providing tax relief for working families, and more specifically about the marriage penalty. I have always supported efforts to alleviate the tax burden felt by many of our nation's working families. In 1993, I supported tax cuts for millions of working families making less than $30,000 per year through an expansion of the Earned Income Tax Credit. And again, last year, I supported tax cuts targeted toward working families, including the $500 per-child-tax credit, the $1,500 HOPE education tax credit, reinstatement of student loan deductions, full deductibility of health insurance premiums for the self-employed and capital gains and estate tax relief, I was pleased to support these tax cuts, Mr. President, because each was carefully targeted, fully paid for, and consistent with a balanced budget.

Today, I continue to support efforts to bring relief to working families, including providing them with substantial relief from the marriage penalty. Yet, despite my support for repealing the marriage penalty which affects more than 20 million American families, I felt compelled to vote against the amendment offered by Senator BROWNBACK, because in my view, the amendment did not provide targeted relief to those who need it most. In fact, Senator BROWNBACK's amendment would offer marriage penalty relief to only about 40 percent of those currently penalized. Moreover, this amendment was both a costly measure—costing $125 billion over five years and $300 billion over the next ten years—and one that was not paid for.

Mr. President, because Senator BROWNBACK's amendment was not offset, it would have significantly drained the Treasury and put an incredible strain on the Social Security trust fund. Indeed, had this amendment been adopted without an offset as proposed, we would be forced to make draconian across-the-board spending cuts to all discretionary spending, including many important programs like Head Start, public health programs, and defense. In addition, this amendment threatened to use as its offset, funds from the Social Security reserves, which clearly would jeopardize the solvency of and undermine the strength of the Social Security trust fund. Mr. President, in my view, we could ill afford to pay for this amendment with either option, and that is why I, in good conscience, could not support this amendment.

I want to be clear, however, that I support efforts to repeal the marriage penalty. Yet I remain committed to doing so in a way that does not harm the progress we've made in balancing the budget and in a way that targets relief to working families who need it most. That is why I was pleased to support the Democratic alternative, which would have reduced the marriage penalty in the tax code for approximately 90 percent of the families currently penalized. Indeed, this amendment was carefully targeted and would cut the marriage tax penalty more for a greater number of families Furthermore, this proposal would have cost far less than Senator BROWNBACK's proposal—$7 billion over five years and $21 billion over the next ten years. And finally, the Democratic alternative was fully offset without using reserves from the Social Security trust fund, but rather by using a number of widely supported proposals from the President's budget.

Although I was disappointed that the Democratic alternative was defeated, I remain hopeful that Congress will continue to work to repeal the marriage penalty in a way that is both fiscally responsible and carefully targeted to the American families who need relief the most.

Mr. KLY. Mr. President, I wish to enter into a colloquy with the Chairman of the Subcommittee, Senator Campbell, regarding the importance of High Intensity Drug Trafficking Areas (HIDTAs).

Mr. CAMPBELL. I understand the Senator's interest in this area.

Mr. KYL. Mr. President. I would like to take a few minutes to describe the importance of HIDTAs, and specifically the creation of a new Central Arizona HIDTA.

As you know, HIDTAs are an effective mechanism for fighting drugs and especially for combating the increase in methamphetamine use and meth labs. Arizona has a huge problem with meth and meth lab cleanup. In April, I held a field hearing in Phoenix on this issue and I heard first-hand about the magnitude of the drug problem in urban and rural areas of the state. For example, I heard testimony that the Maricopa County HIDTA Meth Lab Unit presently dismantles an average of three labs per week and that, during fiscal year 97, it seized 137 meth labs. Projections for seizures this year are expected to reach 200. Moreover, the DEA testified that clandestine lab seizures in Arizona have increased 910 percent since 1994.

The formation of a new Arizona HIDTA, the Central Arizona HIDTA, is a cooperative effort among three Arizona counties—Maricopa, Pinal, and Mohave—representing both rural and urban interests.

Designating new HIDTAs where a need can be demonstrated and where law enforcement has joined together is key to stopping the spread of drugs. I look forward to working with you to ensure that new HIDTAs, like the Central Arizona HIDTA, receive funding.

Mr. CAMPBELL. This Committee is increasingly aware of the unique problems meth poses, as well as the cleanup of their toxic labs. This is an area where a HIDTA can provide much needed assistance to a community, therefore I can understand your interest in the creation of a Central Arizona HIDTA. I look forward to working with the Senator in the coming months to address these concerns.

Mr. KYL. I thank the Senator.

TAX CODE TERMINATION

Mr. SMITH of New Hampshire: Mr. President, I rise today in support of the Tax Code Termination Act, which had been proposed as an amendment to the Treasury-Postal Appropriations Act. This measure, which I cosponsored with Senators HUTCHINSON and BROWNBACK, would sunset the Federal Tax Code by the end of 2002.

Our current Tax Code, with its many rates, deductions and exemptions, needs to be replaced with a simpler, fairer system that will eliminate the bias against savings and investment and promote economic growth. Consider these facts:

The Tax Code is made up of about 7,500 pages. All the Internal Revenue Service regulations, rulings and tax court decisions add tens of thousands more pages. By contrast, when the income tax was enacted eighty-five years, the Tax Code was under twenty pages long.

By the most conservative estimate, the total cost of collecting taxes, including the value of the 4.5 billion hours that taxpayers spend preparing tax returns, is $75 billion per year. Other estimates are several times higher. The cost of complying with some provisions exceeds what the government collects in taxes.

I can think of no more fitting commentary on the tax laws that are on the books today than The Federalist Papers, and I quote: ''It will be of little avail to the people that the laws are made by men of their own choice if the laws be so voluminous that they cannot be read, or so incoherent that they cannot be understood.''

Is there any doubt that our current Tax Code is too voluminous to be read or too incoherent to be understood? There probably is not a single accountant who understands the Code in its entirety. Not even the IRS, which employs about 110,000 people and is twice as big as the CIA, seems to have a complete grasp on the Code. In 1993, for example, the IRS provided an estimated 8.5 million incorrect or incomplete answers to taxpayer inquiries, and taxpayers were overcharged an estimated $5 billion in penalties.

Another measure of the Code's complexity is the number of disputes it generates. As many as 40 percent of major corporate audits end up in administrative or legal disputes. Some last for years.

The Tax Code is so burdensome that it encourages tax evasion and distorts investment. the IRS has reported that there are hundreds of people who pay no taxes on incomes of more than $200,000 per year. Remember Leona Helmsly, the New York real estate magnate who spent eighteen months in jail for tax evasion? According to her former housekeeper, Leona said: ''[w]e don't pay taxes. Only the little people pay taxes.'' Taxpayers who can afford to pay for tax planning have a strong incentive to invest in schemes to avoid paying taxes instead of investing in productive enterprises that will help the economy thrive.

Up to 30% of individuals reporting business income are not complying with the Tax Code, according to the IRS. Small wonder that many small businesses are not in compliance, when we consider the Code's complexity. For every $100 they paid in income taxes, small businesses with net profits paid an estimated $377 in accounting fees and other costs to comply with the tax laws, according to a 1996 Tax Foundation report. If the current tax code were not so complex, perhaps we would not be facing the enforcement problems that we brought to light by the Finance Committee in its April 1998 IRS oversight hearings.

Critics of the Tax Code Termination Act maintain that it would be irresponsible to sunset the Tax Code until a substitute is prepared. But there are already a number of other federal programs on the books that contain sunset language; and why should the Tax Code by any different? This legislation simply sets a fixed date by which the Tax Code will have to be reauthorized, thereby forcing the President and Congress to engage in a meaningful dialogue on the issue.

Mr. President, I urge my Senate colleagues to take the first step toward meaningful tax reform by setting a date when the Tax Code will expire. We should discard the current maze that is our Tax Code and enact a new tax system that is simple, fair and does not discourage savings or investment.

Mr. MCCAIN. Mr. President, I want to thank the managers of this bill for their hard work in putting forth this legislation which provides federal funding for numerous vital programs. The Senate will soon vote to adopt the Treasury and General Appropriations Bill for the Fiscal Year 1999. I intend to support this measure because it provides funding for the Treasury Department, the United States Postal Service, the Executive Office of the President, and certain Independent Agencies.

Mr. President, as elected officials, we bear no greater responsibility than to see the American people's hard earned tax dollars utilized in the most prudent fashion. We must remain committed to open and fair consideration of public expenditures. Our objective must always be to further the greatest public good. This must remain the cornerstone of the appropriations process.

I admit that this is a difficult task. Each year the appropriators face the daunting task of supporting necessary governmental activities and balancing additional competing interests for funding. However, this is a challenge that we must firmly uphold with integrity. I come forward to this body to once again declare that we are undermining the national faith by continuing the practice of earmarking and inappropriately designating funding for projects based on erroneous criteria rather than national priority and necessity.

After reviewing the Treasury Postal Appropriations Bill, it is painfully clear the subcommittee has not lost its appetite for pork-barrel spending. This bill has been fattened up with vast amounts of low-priority, unnecessary and wasteful spending. In fact, this appropriations bill contains well over $826 million in specifically earmarked pork-barrel spending. This is more than $791 million more than last year's pork-barrel spending total for this bill, which only contained $34.25 million in wasted funds. In addition, the bill and report directs that current year spending be maintained for hundreds of projects, without being specific about any dollar amount.

We now have the first unified-budget surplus in nearly 30 years. CBO projects that we will have $1.6 billion of budget surpluses over the next 10 years. However, if we continue with our current levels of wasteful spending, these budget surpluses may not occur. Pork-barrel spending today not only robs well-deserving programs of much needed funds, it also jeopardizes our fiscal well-being into the next century. I would be remiss if I did not inform the American public of the seriousness and magnitude of wasteful spending endorsed by this body. These individual earmarks may not seem extravagant. However, taken together, they represent a serious diversion of taxpayers' hard-earned dollars to low priority programs at the expense of numerous programs that have undergone the appropriate merit-based selection process. I take very strong exception to a large number of provisions in the bill before us today.

As usual, this bill and report contain numerous earmarks of new funds for particular states, as well as language designed to ensure the continued flow of federal funds into certain states. I have compiled a lengthy list of these and numerous other add-ons, earmarks in this bill. I will not spare precious time to recite the entire list. Instead, I will ask unanimous consent to have this list printed in the RECORD. However, I will discuss some of the more troubling provisions in this bill in detail.

Mr. President, this bill contains a provision which requires the Postal Service to work with the Hawaii Department of Agriculture to devise a plan to combat pest introduction into Hawaii through the U.S. mail. Also contained in this report is over one half billion dollars in new courthouse construction specifically allocated to certain states and localities. This type of earmarking of federal funds must stop.

Mr. President, in the last few weeks, the Senate has wasted billions of taxpayers' dollars on wasteful, unnecessary, or low priority projects. Most alarming, we still have 5 more appropriations bills still to be considered. When will Congress curb its appetite

for wasteful pork-barrel spending? How much is too much?

Mr. President, I will not deliberate much longer on the objectionable provisions of this bill. I simply ask my colleagues to apply fair and reasonable spending principles when appropriating funds to the multitude of priority and necessary programs in our appropriations bills. Fiscal responsibility yields long term dividends to America as a whole. Moreover, responsible spending will renew the public's faith in their elected representatives, while also insuring that America realizes any projected budget surpluses.

Congress can ill afford to waste taxpayers' hard-earned dollars. Let us use these budget surpluses to pay down our multi-trillion-dollar national debt. Let us use the anticipated budget surpluses to save social security and for additional tax cuts. These objectives further the greater public good, and our long-term prosperity. Wasteful pork-barrel spending which has limited short term benefits to a few obscure special interests, does not further the public good. It drains our budget, and threatens our long-term prosperity. Congress will only make our potentially prosperous future a reality if it curbs its appetite for pork-barrel spending.

Mr. President, I urge my colleagues to think seriously about the repercussions that could soon be felt right here in this body, if we continue the long-standing practice of pork-barrel spending. Wasteful pork-barrel spending simply erodes the public's trust in our system of government. Congress must reaffirm its commitment to furthering the public good by curbing its appetite for pork-barrel spending.

I ask unanimous consent that the list be printed in the RECORD.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

LOW PRIORITY, UNNECESSARY, OR WASTEFUL SPENDING CONTAINED IN S. 2312, TREASURY AND GENERAL GOVERNMENT APPROPRIATIONS BILL FOR FISCAL YEAR 1999

The total dollar amount included in this bill is more than $3 billion over the Fiscal Year 1999 budget request.

BILL LANGUAGE

Sections 506, 507, 508, and 606 all contain the usual protectionist, Buy-America provisions.

REPORT LANGUAGE

BATF: $4.5 million to expand the National Tracing Center in Martinsburg, WV. $2.4 million for 12 trafficking agents, three of which are to be for Milwaukee, WI. The Committee urges the BATF to give strong consideration to Aurora, CO, Denver, CO, and Omaha, NE in determining the new locations for the expansion of the Youth Crime Gun Interdiction Initiative.

U.S. Customs Service: Language directing the Customs Service to maintain staffing levels at the Charleston, WV Customs office.

$750,000 for part-time and temporary positions in the Honolulu Customs District.

Language directing the Customs Service to ensure the staffing levels are sufficient to staff and operate all New Mexico border facilities.

Language stating that a high priority should be placed on the funding of the ports of entry in Florida.

Language directing the Customs Service to study the staffing levels of the Great Falls, MT area.

Language directing the Customs Service to conduct a feasibility study on the creation of an international freight processing center in McClain County, OK.

Language encouraging the Blaine, WA area port director to continue the current onboard clearance procedures for Amtrak passengers traveling inbound from Vancouver, BC.

$500,000 to expand the Vermont World Trade Office due to the fact that the current office has been ''overwhelmed by requests from companies interested in exploring opportunities''.

Internal Revenue Service: Language directing the IRS to maintain problem resolution specialist, problem resolution officer and associate problem resolution officer positions in the States of Alaska and Hawaii. Language stating that any reorganization of the IRS Criminal Investigative Division may not result in a reduction of criminal investigators in Wisconsin and South Dakota.

U.S. Postal Service: Language directing the Postal Service, together with the USDA and the Hawaii Department of Agriculture, to devise and implement a program to combat pest introduction into Hawaii through the U.S. mail.

Office of National Drug Control Policy: $1.5 million to expand the Milwaukee High-Intensity Drug Trafficking Area (HIDTA).

Language urging the Office of National Drug Control Policy (ONDCP) to give special consideration to the State of Hawaii's application to be HIDTA.

Language encouraging the ONDCP to assist in the clean up of methamphetamine labs in Missouri, Washington, Iowa, and New Mexico.

Language urging the ONCDP to consider Omaha, NE as the site for future conferences relating to methamphetamine.

General Services Administration: The Committee has funded the Federal Buildings Fund - Construction and Acquisition account at $553 million, which is $509 million above the budget request.

New Construction: $3.4 million for a U.S. Courthouse in Little Rock, AR.

$15.4 million for a U.S. Courthouse in San Diego, CA.

$10.8 million for a U.S. Courthouse in San Jose, CA.

$84 million for a U.S. Courthouse in Denver, CO.

$14.1 million for DOT Headquarters in Washington, D.C.

$10 million for the Southeast Federal Center remediation in Washington, D.C.

$86 million for a U.S. Courthouse in Jacksonville, FL.

$1.9 million for a U.S. Courthouse in Orlando, FL.

$46.5 million for a U.S. Courthouse in Savannah, GA.

$5.6 million for a U.S. Courthouse in Springfield, MA.

$572,000 for a Michigan border station.

$7.5 million for a U.S. Courthouse in Mississippi.

$2.2 million for a U.S. Courthouse in Missouri.

$6.2 million for a border station in Montana.

$152.6 million for a U.S. Courthouse in Brooklyn, NY.

$3.2 million to New York U.S. Mission to the United Nations.

$7.2 million for a U.S. Courthouse in Eugene, Oregon.

$28.2 million for a U.S. Courthouse in Greenville, TN.

$28.1 million for a U.S. Courthouse in Laredo, Texas.

$29.3 million for a U.S. Courthouse in Wheeling, WV.

$10 million for Nationwide: nonprospectus.

Language granting the GSA the authority to purchase the property located on block 111, East Denver, Denver, CO.

Language directing $475,000 of nonprospectus construction funds be used for the planning of the Mauna Kea Astronomy Educational Center in Hawaii.

Language stating that the Administrator of the GSA is not permitted to obligate funding for the design of the new headquarters of the DOT until the Secretary of Transportation approves landing rights for British Airways at Denver International Airport and Guarantees landing slots to the U.S. carrier authorized to serve the Charlotte-London (Gatwick) route.

FUNDING FOR REPAIRS AND ALTERATIONS TO FEDERAL BUILDINGS

$29.8 million for an appraisers building in San Francisco.

$29.4 million for the Denver Federal Building in CO.

$13.8 million for Federal Building 10B in Washington, D.C.

$84 million to the ICC.

$25.2 million for the OEOB.

$29.8 million for the State Department.

$20 million for an IRS service Center in Brookhaven, NY.

$4.8 million for a U.S. Courthouse in New York.

$11.2 million for a courthouse in Philadelphia, PA.

$9.1 million for the J.W. Powell Building in Reston, VA.

Language directing the GSA to upgrade the lighting system for the Bryne-Green Federal Courthouse in Philadelphia, PA.

$1.6 million for basic repair and alteration of a U.S. Courthouse and Federal Building located in Milwaukee, WI.

$1.1 million for a new fence around the Federal complex in Suitland MD.

$2.8 million for the Zorinsky building in Omaha, NE.

Language directing the GSA to study the cost and need for repair of the Federal Building in Tuscaloosa, AL.

Language directing the GSA to study the alternatives to repairing the Butte-Silver Bow Courthouse in Butte, MT.

Language directing the GSA to work with BATF to provide adequate facilities to meet the space needs of the National Tracing Center in Martinsburg, WV. ($4.5 million has been directed to this facility under a different account previously in this report.)

Language urging the GSA to report on the responsibility of the Federal Government to fund and provide security to the Federal complex in Newark, NJ.

Language directing the GSA to support the 1999 Women's World Cup Soccer and the 1999 World Alpine Ski Championships in Vail, CO.

Language directing the GSA to give the U.S. Olympic Committee special consideration to acquire a Federal Building in Colorado Springs, CO—should it become available.

Language providing for the demolition, cleanup, and transfer of property in Anchorage, AK.

Language stating that the GSA may convey the site which contains the U.S. Army Reserve Center in Racine, WI to the City of Racine.

National Archives: $875,000 to address space inadequacies in the Anchorage, AK facility.

Office of Personnel Management: Language directing the OPM to continue to work with the University of Hawaii to develop culturally sensitive model health programs.

MORNING BUSINESS

Mr. CAMPBELL. Mr. President, I ask unanimous consent there now be a period for the transaction of morning business with Senators permitted to speak for up to 10 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

TRIBUTE TO DETECTIVE JOHN GIBSON, OFFICER JACOB CHESTNUT, AND THE MEMBERS OF THE CAPITOL POLICE FORCE

Mr. FEINGOLD. Mr. President, in the wake of the terrible crime committed in the Capitol last Friday, I want to take a moment to reflect on the courage exhibited by the Capitol Police force in the face of that attack at the heart of America's democracy.

The Capitol Police have guarded the U.S. Congress since 1828, but their finest, yet most tragic, moment came on July 24, 1998, when two officers gave their lives to defend their fellow citizens, and our Capitol and all that it represents.

Officer Jacob J. Chestnut and Detective John M. Gibson, like all the quiet heroes of the Capitol Police force and their colleagues across America, came to work each day, performing their duties with dedication and professionalism, prepared at any moment to lay down their lives so that others could be saved, and the security of the Capitol could be preserved.

In a few terrifying minutes on the afternoon of July 24th, that moment came, as Detective Gibson and Officer Chestnut gave their lives for ours, and for countless other people working and visiting here that day. As they bravely defended the Capitol, Detective Gibson and Officer Chestnut showed the enormity of their courage, the depth of their character, and the fullness of their commitment to duty as Capitol Police officers.

As Americans, we owe Officer Chestnut and Detective Gibson a debt that can never be repaid. Instead, we can only offer our deepest sympathies to the families of these two brave officers, and pledge to honor their memories with the same enduring strength and vigilance with which they defended our lives.

I also want to recognize the other Capitol Police officers involved in apprehending the gunman, rushing people in the building to safety, and conducting the subsequent investigation with such a high degree of professionalism. We commend their service in protecting our Capitol and reaffirm with confidence that under their watch the house of the people will stay open to all the people.

Americans can take great pride in the heroism the Capitol Police displayed last Friday, and in the bravery they summon every day as they protect our nation's Capitol. To them I offer my thanks, and the thanks of my staff and the people of the State of Wisconsin, for their courageous work.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Williams, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

REPORT CONCERNING THE PROLIFERATION OF WEAPONS OF MASS DESTRUCTION—MESSAGE FROM THE PRESIDENT—PM 149

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Banking, Housing, and Urban Affairs.

To the Congress of the United States:

On November 14, 1994, in light of the danger of the proliferation of nuclear, biological, and chemical weapons (weapons of mass destruction) and of the means of delivering such weapons, using my authority under the International Emergency Economic Powers Act (50 U.S.C. 1701 et seq.), I declared a national emergency and issued Executive Order 12938. Because the proliferation of weapons of mass destruction continues to pose an unusual and extraordinary threat to the national security, foreign policy, and economy of the United States, I have renewed the national emergency declared in Executive Order 12938 annually, most recently on November 14, 1997. Pursuant to section 204(b) of the International Emergency Economic Powers Act (50 U.S.C. 1703(b)), I hereby report to the Congress that I have exercised my statutory authority to issue an Executive order to amend Executive Order 12938 in order to more effectively to respond to the worldwide threat of weapons of mass destruction proliferation activities.

The amendment of section 4 of Executive Order 12938 strengthens the original Executive order in several significant ways.

First, the amendment broadens the type of proliferation activity that is subject to potential penalties. Executive Order 12938 covers contributions to the efforts of any foreign country, project, or entity to use, acquire, design, produce, or stockpile chemical or biological weapons (CBW). This amendment adds potential penalties for contributions to foreign programs for nuclear weapons and missiles capable of delivering weapons of mass destruction. For example, the new amendment authorizes the imposition of measures against foreign entities that materially assist Iran's missile program.

Second, the amendment lowers the requirements for imposing penalties. Executive Order 12938 required a finding that a foreign person ''knowingly and materially'' contributed to a foreign CBW program. The amendment removes the ''knowing'' requirement as a basis for determining potential penalties. Therefore, the Secretary of State need only determine that the foreign person made a ''material'' contribution to a weapons of mass destruction or missile program to apply the specified sanctions. At the same time, the Secretary of State will have discretion regarding the scope of sanctions so that a truly unwitting party will not be unfairly punished.

Third, the amendment expands the original Executive order to include ''attempts'' to contribute to foreign proliferation activities, as well as actual contributions. This will allow imposition of penalties even in cases where foreign persons make an unsuccessful effort to contribute to weapons of mass destruction and missile programs or where authorities block a transaction before it is consummated.

Fourth, the amendment expressly expands the range of potential penalties to include the prohibition of United States Government assistance to the foreign person, as well as United States Government procurement and imports into the United States, which were specified by the original Executive order. Moreover, section 4(b) broadens the scope of the United States Government procurement limitations to include a bar on the procurement of technology, as well as goods or services from any foreign person described in section 4(a). Section 4(d) broadens the scope of import limitations to include a bar on imports of any technology or services produced or provided by any foreign person described in section 4(a).

Finally, this amendment gives the United States Government greater flexibility and discretion in deciding how and to what extent to impose penalties against foreign persons that assist proliferation programs. This provision authorizes the Secretary of State, who will act in consultation with the heads of other interested agencies, to determine the extent to which these measures should be imposed against entities contributing to foreign weapons of mass destruction or missile programs. The Secretary of State will act to further the national security and foreign policy interests of the United States, including principally our nonproliferation objectives. Prior to imposing measures pursuant to this provision, the Secretary of State will take into account the likely effectiveness of such measures in furthering the interests of the United States and the costs and benefits of such measures. This approach provides the necessary flexibility to tailor our responses to specific situations.

I have authorized these actions in view of the danger posed to the national security and foreign policy of

the United States by the continuing proliferation of weapons of mass destruction and their means of delivery. I am enclosing a copy of the Executive order that I have issued exercising these authorities.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *July 28, 1998*.

REPORT OF THE DISTRICT OF COLUMBIA'S FISCAL YEAR 1999 BUDGET REQUEST ACT—MESSAGE FROM THE PRESIDENT—PM 150

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Governmental Affairs.

To the Congress of the United States:

In accordance with section 202(c) of the District of Columbia Financial Responsibility and Management Assistance Act of 1995, I am transmitting the District of Columbia's Fiscal Year 1999 Budget Request Act.

This proposed Fiscal Year 1999 Budget represents the major programmatic objectives of the Mayor, the Council of the District of Columbia, and the District of Columbia Financial Responsibility and Management Assistance Authority. It also meets the financial stability and management improvement objectives of the National Capital Revitalization and Self-Government Improvement Act of 1997. For Fiscal Year 1999, the District estimates revenues of $5.230 billion and total expenditures of $5.189 billion resulting in a $41 million budget surplus.

My transmittal of the District of Columbia's budget, as required by law, does not represent an endorsement of its contents.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *July 28, 1998*.

REPORT CONCERNING THE ONGOING EFFORTS TO MEET THE GOALS SET FORTH IN THE DAYTON ACCORDS—MESSAGE FROM THE PRESIDENT—PM 151

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Foreign Relations.

To the Congress of the United States:

Pursuant to section 7 of Public Law 105–174, I am providing this report to inform the Congress of ongoing efforts to meet the goals set forth therein.

With my certification to the Congress of March 3, 1998, I outlined ten conditions—or benchmarks—under which Dayton implementation can continue without the support of a major NATO-led military force. Section 7 of Public Law 105–174 urges that we seek concurrence among NATO allies on: (1) the benchmarks set forth with the March 3 certification; (2) estimated target dates for achieving those benchmarks; and (3) a process for NATO to review progress toward achieving those benchmarks. NATO has agreed to move ahead in all these areas.

First, NATO agreed to benchmarks parallel to ours on May 28 as part of its approval of the Stabilization Force (SFOR) military plan (OPLAN 10407). Furthermore, the OPLAN requires SFOR to develop detailed criteria for each of these benchmarks, to be approved by the North Atlantic Council, which will provide a more specific basis to evaluate progress. SFOR will develop the benchmark criteria in coordination with appropriate international civilian agencies.

Second, with regard to timelines, the United States proposed that NATO military authorities provide an estimate of the time likely to be required for implementation of the military and civilian aspects of the Dayton Agreement based on the benchmark criteria. Allies agreed to this approach on June 10. As SACEUR General Wes Clark testified before the Senate Armed Services Committee June 4, the development and approval of the criteria and estimated target dates should take 2 to 3 months.

Third, with regard to a review process, NATO will continue the 6-month review process that began with the deployment of the Implementation Force (IFOR) in December 1995, incorporating the benchmarks and detailed criteria. The reviews will include an assessment of the security situation, an assessment of compliance by the parties with the Dayton Agreement, an assessment of progress against the benchmark criteria being developed by SFOR, recommendations on any changes in the level of support to civilian agencies, and recommendations on any other changes to the mission and tasks of the force.

While not required under Public Law 105–174, we have sought to further utilize this framework of benchmarks and criteria for Dayton implementation among civilian implementation agencies. The Steering Board of the Peace Implementation Council (PIC) adopted the same framework in its Luxembourg declaration of June 9, 1998. The declaration, which serves as the civilian implementation agenda for the next 6 months, now includes language that corresponds to the benchmarks in the March 3 certification to the Congress and in the SFOR OPLAN. In addition, the PIC Steering Board called on the High Representative to submit a report on the progress made in meeting these goals by mid-September, which will be considered in the NATO 6-month review process.

The benchmark framework, now approved by military and civilian implementers, is clearly a better approach than setting a fixed, arbitrary end date to the mission. This process will produce a clear picture of where intensive efforts will be required to achieve our goal: a self-sustaining peace process in Bosnia and Herzegovina for which a major international military force will no longer be necessary. Experience demonstrates that arbitrary deadlines can prove impossible to meet and tend to encourage those who would wait us out or undermine our credibility. Realistic target dates, combined with concerted use of incentives, leverage and pressure with all the parties, should maintain the sense of urgency necessary to move steadily toward an enduring peace. While the benchmark process will be useful as a tool both to promote and review the pace of Dayton implementation, the estimated target dates established will be notional, and their attainment dependent upon a complex set of interdependent factors.

We will provide a supplemental report once NATO has agreed upon detailed criteria and estimated target dates. The continuing 6-month reviews of the status of implementation will provide a useful opportunity to continue to consult with Congress. These reviews, and any updates to the estimated timelines for implementation, will be provided in subsequent reports submitted pursuant to Public Law 105–174. I look forward to continuing to work with the Congress in pursuing U.S. foreign policy goals in Bosnia and Herzegovina.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *July 28, 1998*.

REPORT CONCERNING THE CONTINUATION OF THE NATIONAL EMERGENCY WITH RESPECT TO IRAQ—MESSAGE FROM THE PRESIDENT—PM 152

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Banking, Housing, and Urban Affairs.

To The Congress of the United States:

Section 202(d) of the National Emergencies Act (50 U.S.C. 1622(d)) provides for the automatic termination of a national emergency unless, prior to the anniversary date of its declaration, the President publishes in the *Federal Register* and transmits to the Congress a notice stating that the emergency is to continue in effect beyond the anniversary date. In accordance with this provision, I have sent the enclosed notice, stating that the Iraqi emergency is to continue in effect beyond August 2, 1998, to the *Federal Register* for publication.

The crisis between the United States and Iraq that led to the declaration on August 2, 1990, of a national emergency has not been resolved. The Government of Iraq continues to engage in activities inimical to stability in the Middle East and hostile to United States interests in the region. Such Iraqi actions pose a continuing unusual and extraordinary threat to the national security and vital foreign policy interests of the United States. For these

reasons, I have determined that it is necessary to maintain in force the broad authorities necessary to apply economic pressure on the Government of Iraq.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *July 28, 1998*.

REPORT OF THE CORPORATION FOR PUBLIC BROADCASTING FOR FISCAL YEAR 1997—MESSAGE FROM THE PRESIDENT—PM 153

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Commerce, Science, and Transportation.

To The Congress of the United States:

In accordance with the Public Broadcasting Act of 1967, as amended (47 U.S.C. 396(i)), I transmit herewith the Annual Report of the Corporation for Public Broadcasting (CPB) for Fiscal Year 1997 and the Inventory of the Federal Funds Distributed to Public Telecommunications Entities by Federal Departments and Agencies: Fiscal Year 1997.

Thirty years following the establishment of the Corporation for Public Broadcasting, the Congress can take great pride in its creation. During these 30 years, the American public has been educated, inspired, and enriched by the programs and services made possible by this investment.

The need for and the accomplishments of this national network of knowledge have never been more apparent, and as the attached 1997 annual CPB report indicates, by ''Going Digital,'' public broadcasting will have an ever greater capacity for fulfilling its mission.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *July 29, 1998*.

MESSAGES FROM THE HOUSE RECEIVED DURING RECESS

Under the authority of the order of the Senate of January 7, 1997, the Secretary of the Senate on July 29, 1998, during the recess of the Senate, received a message from the House of Representatives announcing that the House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 629) to grant the consent of the Congress to the Texas Low-Level Radioactive Waste Disposal Compact.

MEASURE PLACED ON THE CALENDAR

The following bill was read the second time and placed on the calendar:

H.R. 4250. An act to provide new patient protections under group health plans.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC–6232. A communication from the Assistant to the Board of Governors of the Federal Reserve System, transmitting, pursuant to law, the report of a rule regarding Truth in Savings disclosures (Docket R-0869) received on July 24, 1998; to the Committee on Banking, Housing, and Urban Affairs.

EC–6233. A communication from the Chief of the Regulations Unit of the Internal Revenue Service, Department of Treasury, transmitting, pursuant to law, the report of a rule regarding employer plans to reflect changes to Section 457 of the Internal Revenue Code (Rev. Proc. 98-41) received on July 27, 1997; to the Committee on Finance.

EC–6234. A communication from the Director of the Office of Regulatory Management and Information, Environmental Protection Agency, transmitting, pursuant to law, the report of two rules regarding air pollution standards for pulp and paper production and technical amendments to OMB control numbers (FRL5799-8) received on July 27, 1998; to the Committee on Environment and Public Works.

EC–6235. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Safety Zone; Gloucester Harbor Fireworks Display, Gloucester Harbor, Gloucester, MA'' (Docket 01-98-080) received on July 27, 1998; to the Committee on Commerce, Science, and Transportation.

EC–6236. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Airworthiness Directives; Boeing Model 747-100 Series Airplanes'' (Docket 97-NM-82-AD) received on July 27, 1998; to the Committee on Commerce, Science, and Transportation.

EC–6237. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Airworthiness Directives; McDonnell Douglas Helicopter Systems Model 369A, 369D, 369E, 369F, 369FF, 369H, 369HE, 369HM, 369HS, 500N, 600N, and OH-6A Helicopters'' (Docket 98-SW-22-AD) received on July 27, 1998; to the Committee on Commerce, Science, and Transportation.

EC–6238. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Establishment of Class E Airspace; Wilmington Clinton Field, OH'' (Docket 98-AGL-31) received on July 27, 1998; to the Committee on Commerce, Science, and Transportation.

EC–6239. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Modification of Class E Airspace; Prairie Du Chien, WI'' (Docket 98-AGL-32) received on July 27, 1998; to the Committee on Commerce, Science, and Transportation.

EC–6240. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Modification of Class E Airspace; Faribault, MN'' (Docket 98-AGL-26) received on July 27, 1998; to the Committee on Commerce, Science, and Transportation.

EC–6241. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Modification of Class E Airspace; Marshall, MN'' (Docket 98-AGL-33) received on July 27, 1998; to the Committee on Commerce, Science, and Transportation.

EC–6242. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Amendment to Class E Airspace; Cambridge, NE'' (Docket 98–ACE–11) received on July 27, 1998; to the Committee on Commerce, Science, and Transportation.

EC–6243. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Amendment to Class E Airspace; Gordon, NE'' (Docket 98–ACE–9) received on July 27, 1998; to the Committee on Commerce, Science, and Transportation.

EC–6244. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Amendment to Class E Airspace; Scottsbluff, NE'' (Docket 98–ACE–18) received on July 27, 1998; to the Committee on Commerce, Science, and Transportation.

EC–6245. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Amendment to Class E Airspace; Kimball, NE'' (Docket 98–ACE–10) received on July 27, 1998; to the Committee on Commerce, Science, and Transportation.

EC–6246. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Remove Class E Airspace and Establish Class E Airspace; Springfield, MO'' (Docket 98–ACE–20) received on July 27, 1998; to the Committee on Commerce, Science, and Transportation.

EC–6247. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Amendment to Class E Airspace; Knoxville, IA'' (Docket 98–ACE–12) received on July 27, 1998; to the Committee on Commerce, Science, and Transportation.

EC–6248. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Amendment to Class E Airspace; Ainsworth, NE'' (Docket 98–ACE–16) received on July 27, 1998; to the Committee on Commerce, Science, and Transportation.

EC–6249. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Modification of Jet Route J–502; VOR Federal Airway V–444; and Colored Federal Airways Amber 2 and Amber 15; AK'' (Docket 98–AAL–8) received on July 27, 1998; to the Committee on Commerce, Science, and Transportation.

EC–6250. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Establishment of Class E Airspace; Waupun, WI'' (Docket 98–AGL–27) received on July 27, 1998; to the Committee on Commerce, Science, and Transportation.

EC–6251. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Establishment of Class E Airspace; Richland Center, WI'' (Docket 98–AGL–30) received on July 27, 1998; to the Committee on Commerce, Science, and Transportation.

EC–6252. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Modification of Class

E Airspace; New Lisbon, WI'' (Docket 98–AGL–28) received on July 27, 1998; to the Committee on Commerce, Science, and Transportation.

EC–6253. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Establishment of Class E Airspace; Beaver Dam, WI'' (Docket 98–AGL–29) received on July 27, 1998; to the Committee on Commerce, Science, and Transportation.

EC–6254. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Airworthiness Directives; Stemme GmbH and Co. KG Model S10–V Sailplanes'' (Docket 97–CE–128–AD) received on July 27, 1998; to the Committee on Commerce, Science, and Transportation.

EC–6255. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Airworthiness Directives; Empresa Brasileira de Aeronautica S.A. (EMBRAER) Model EMB–120 Series Airplanes'' (Docket 98–NM–33–AD) received on July 27, 1998; to the Committee on Commerce, Science, and Transportation.

EC–6256. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Fees for Air Traffic Services for Certain Flights Through U.S.-Controlled Airspace'' (Docket 28860) received on July 27, 1998; to the Committee on Commerce, Science, and Transportation.

EC–6257. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Airworthiness Directives; Bell Helicopter Textron, Inc. Model 412 Helicopters and Agusta S.p.A. Model AB 412 Helicopters; Correction'' (Docket 97–SW–58–AD) received on July 27, 1998; to the Committee on Commerce, Science, and Transportation.

EC–6258. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Airworthiness Directives; McDonnell Douglas Model DC–9, DC–9–80, and C–9 (Military) Series Airplanes, and Model MD–99 Airplanes'' (Docket 97–NM–105–AD) received on July 27, 1998; to the Committee on Commerce, Science, and Transportation.

EC–6259. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Airworthiness Directives; Maule Aerospace Technology Corp. M–4, M–5, M–6, M–7, MX–7, and MXT–7 Series Airplanes and M–8–235 Airplanes'' (Docket 98–CE–01–AD) received on July 27, 1998; to the Committee on Commerce, Science, and Transportation.

EC–6260. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Drawbridge Operating Regulation; Kelso Bayou, LA'' (Docket 08–94–028) received on July 27, 1998; to the Committee on Commerce, Science, and Transportation.

EC–6261. A communication from the Secretary of Defense, transmitting, notice of military retirements; to the Committee on Armed Services.

EC–6262. A communication from the Chief of the Regulations Branch, U.S. Customs Service, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled ''Exporters Not Liable For Harbor Maintenance Fee'' (RIN1515–AC31) received on July 28, 1998; to the Committee on Finance.

EC–6263. A communication from the Assistant Secretary for Legislative Affairs, Department of State, transmitting, pursuant to law, notice of the initiation of danger pay for the Kosovo Province under the Foreign Service Act; to the Committee on Foreign Relations.

EC–6264. A communication from the Secretary of the Interior, transmitting, pursuant to law, the Department's report entitled ''Outer Continental Shelf Lease Sales: Evaluation of Bidding Results and Competition'' for fiscal year 1997; to the Committee on Energy and Natural Resources.

EC–6265. A communication from the Administrator of the Agricultural Marketing Service, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled ''Irish Potatoes Grown in Colorado; Decreased Assessment Rate'' (Docket FV98–948–1 IFR) received on July 23, 1998; to the Committee on Agriculture, Nutrition, and Forestry.

EC–6266. A communication from the Human Resource Assistant of the Farm Credit Bank of Texas, transmitting, pursuant to law, the annual report of the Bank's Thrift Plus Plan for calendar year 1997; to the Committee on Governmental Affairs.

EC–6267. A communication from the Director of the Regulations Policy and Management Staff, Food and Drug Administration, Department of Health and Human Services, transmitting, pursuant to law, the report of a rule entitled ''Oral Dosage Form New Animal Drugs; Bacitracin Methylene Disalicylate Soluble'' received on July 27, 1998; to the Committee on Labor and Human Resources.

EC–6268. A communication from the Director of the Regulations Policy and Management Staff, Food and Drug Administration, Department of Health and Human Services, transmitting, pursuant to law, the report of a rule entitled ''Indirect Food Additives: Adjuvants, Production Aids, and Sanitizers (Aluminum Borate)'' (Docket 97F–0405) received on July 27, 1998; to the Committee on Labor and Human Resources.

EC–6269. A communication from the Acting Director of Communications and Legislative Affairs, Equal Employment Opportunity Commission, transmitting, pursuant to law, the Commission's report on the Employment of Minorities, Women and People with Disabilities in the Federal Government for fiscal year 1997; to the Committee on Labor and Human Resources.

EC–6270. A communication from the Managing Director of the Federal Housing Finance Board, transmitting, pursuant to law, the report of a rule entitled ''Authority to Approve Federal Home Loan Bank Bylaws'' (RIN3069–AA70) received on July 28, 1998; to the Committee on Banking, Housing, and Urban Affairs.

EC–6271. A communication from the Managing Director of the Federal Housing Finance Board, transmitting, pursuant to law, the report of a rule entitled ''Financial Disclosure by Federal Home Loan Banks'' (No. 98–28) received on July 28, 1998; to the Committee on Banking, Housing, and Urban Affairs.

EC–6272. A communication from the Assistant to the Board of Governors of the Federal Reserve System, transmitting, pursuant to law, the report of a rule entitled ''Securities Credit Transactions; List of Marginable OTC Stocks; List of Foreign Margin Stocks'' received on July 22, 1998; to the Committee on Banking, Housing, and Urban Affairs.

EC–6273. A communication from the Director of the Office of Sustainable Fisheries, National Oceanic and Atmospheric Administration, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled ''Fisheries of the Exclusive Economic Zone Off Alaska; Pacific Ocean Perch in the Eastern Regulatory Area of the Gulf of Alaska'' (Docket 971208297–8054–02) received on July 28, 1998; to the Committee on Commerce, Science, and Transportation.

EC–6274. A communication from the Director of the Office of Sustainable Fisheries, National Oceanic and Atmospheric Administration, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled ''Fisheries of the Exclusive Economic Zone Off Alaska; Pacific Ocean Perch in the Central Regulatory Area'' (Docket 971208297–8054–02) received on July 28, 1998; to the Committee on Commerce, Science, and Transportation.

EC–6275. A communication from the Director of the Office of Sustainable Fisheries, National Oceanic and Atmospheric Administration, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled ''Fisheries of the Exclusive Economic Zone Off Alaska; Pacific Ocean Perch in the Central Regulatory Area of the Gulf of Alaska'' (Docket 971208297–8054–02) received on July 28, 1998; to the Committee on Commerce, Science, and Transportation.

EC–6276. A communication from the Director of the Office of Sustainable Fisheries, National Oceanic and Atmospheric Administration, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled ''Fisheries of the Exclusive Economic Zone Off Alaska; Pacific Ocean Perch in the Eastern Regulatory Area'' (Docket 971208297–8054–02) received on July 28, 1998; to the Committee on Commerce, Science, and Transportation.

EC–6277. A communication from the Director of the Office of Sustainable Fisheries, National Oceanic and Atmospheric Administration, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled ''Fisheries of the Exclusive Economic Zone Off Alaska; ''Other Rockfish'' Species Group in the Eastern Regulatory Area'' (Docket 971208297–8054–02) received on July 28, 1998; to the Committee on Commerce, Science, and Transportation.

EC–6278. A communication from the Acting Director of the Office of Sustainable Fisheries, National Oceanic and Atmospheric Administration, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled ''Fisheries of the Exclusive Economic Zone Off Alaska; Pacific Ocean Perch in the Central Aleutian District of the Bering Sea and Aleutian Islands'' (Docket 971208298–8055–02) received on July 28, 1998; to the Committee on Commerce, Science, and Transportation.

EC–6279. A communication from the Acting Director of the Office of Sustainable Fisheries, National Oceanic and Atmospheric Administration, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled ''Fisheries of the Exclusive Economic Zone Off Alaska; Pacific Ocean Perch in the Central Regulatory Area of the Gulf of Alaska'' (Docket 971208297–8054–02) received on July 28, 1998; to the Committee on Commerce, Science, and Transportation.

EC–6280. A communication from the Acting Director of the Office of Sustainable Fisheries, National Oceanic and Atmospheric Administration, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled ''Fisheries of the Exclusive Economic Zone Off Alaska; Pacific Ocean Perch in the Eastern Regulatory Area of the Gulf of Alaska'' (Docket 971208297–8054–02) received on July 28, 1998; to the Committee on Commerce, Science, and Transportation.

EC–6281. A communication from the Acting Director of the Office of Sustainable Fisheries, National Oceanic and Atmospheric Administration, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled ''Fisheries of the Exclusive Economic Zone Off Alaska; Northern Rockfish in the Central Regulatory Area of the

Gulf of Alaska'' (Docket 971208297–8054–02) received on July 28, 1998; to the Committee on Commerce, Science, and Transportation.

EC–6282. A communication from the Deputy Assistant Administrator for Fisheries, National Oceanic and Atmospheric Administration, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled ''Fisheries of the Exclusive Economic Zone Off Alaska; Scallop Fishery Off Alaska; Amendment 3'' (RIN0648–AJ51) received on July 28, 1998; to the Committee on Commerce, Science, and Transportation.

EC–6283. A communication from the Deputy Assistant Administrator for Fisheries, National Oceanic and Atmospheric Administration, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled ''Fisheries of the Caribbean, Gulf of Mexico, and South Atlantic; Snapper-Grouper Fishery Off the Southern Atlantic States; Golden Crab Fishery off the Southern Atlantic States; Amendment 8; OMB Control Numbers'' (RIN0648–AG27) received on July 28, 1998; to the Committee on Commerce, Science, and Transportation.

EC–6284. A communication from the Assistant Administrator for Fisheries, National Oceanic and Atmospheric Administration, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled ''Fisheries of the Exclusive Economic Zone Off Alaska; Gear Allocation of Shortraker and Rougheye Rockfish in the Aleutian Islands Subarea'' (RIN0648–AJ99) received on July 28, 1998; to the Committee on Commerce, Science, and Transportation.

EC–6285. A communication from the Acting Director of the Office of Sustainable Fisheries, National Oceanic and Atmospheric Administration, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled ''Summer Flounder Commercial Quota Harvested for Massachusetts'' (Docket 971015246–7293–02) received on July 28, 1998; to the Committee on Commerce, Science, and Transportation.

EC–6286. A communication from the Deputy Associate Administrator for Procurement, National Aeronautics and Space Administration, transmitting, pursuant to law, the report of a rule regarding revisions to the NASA Federal Acquisition Regulation Supplement received on July 28, 1998; to the Committee on Commerce, Science, and Transportation.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. CHAFEE, from the Committee on Environment and Public Works, with an amendment in the nature of a substitute:

S. 1222: A bill to catalyze restoration of estuary habitat through more efficient financing of projects and enhanced coordination of Federal and non-Federal restoration programs, and for other purposes (Rept. No. 105–273).

By Mr. HATCH, from the Committee on the Judiciary: Report to accompany the bill (S. 512) to amendment chapter 47 of title 18, United States Code, relating to identify fraud, and for other purposes (Rept. No. 105–2740).

By Mr. MURKOWSKI, from the Committee on Energy and Natural Resources, without amendment:

S. 1978: A bill to designate the auditorium located within the Sandia Technology Transfer Center in Albuquerque, New Mexico, as the ''Steve Schiff Auditorium'' (Rept. No. 105–274).

By Mr. CHAFEE, from the Committee on Environment and Public Works, without amendment.

H.R. 3453: A bill to designate the Federal Building and Post Office located at 100 East B Street, Casper, Wyoming, as the ''Dick Cheney Federal Building.''

EXECUTIVE REPORTS OF COMMITTEE

The following executive reports of committees were submitted:

By Mr. MCCAIN, from the Committee on Commerce, Science, and Transportation:

Diane D. Blair, of Arkansas, to be a Member of the Board of Directors of the Corporation for Public Broadcasting for a term expiring January 31, 2004. (Reappointment)

Kelley S. Coyner, of Virginia, to be Administrator of the Research and Special Programs Administration, Department of Transportation.

Ritajean Hartung Butterworth, of Washington, to be a Member of the Board of Directors of the Corporation for Public Broadcasting for a term expiring January 31, 2004. (Reappointment)

(The above nominations were reported with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

By Mr. MURKOWSKI, from the Committee on Energy and Natural Resources:

Bill Richardson, of New Mexico, to be Secretary of Energy.

(The above nomination was reported with the recommendation that he be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. AKAKA:

S. 2368. A bill to permit the use of the proceeds from Senate recycling efforts for the expenses and activities of the Senate Employees Child Care Center; to the Committee on Rules and Administration.

By Mr. ROTH:

S. 2369. A bill to amend the Social Security Act to establish the Personal Retirement Accounts Program; to the Committee on Finance.

By Mr. CLELAND:

S. 2370. A bill to designate the facility of the United States Postal Service located at Tall Timbers Village Square, United States Highway 19 South, in Thomasville, Georgia, as the ''Lieutenant Henry O. Flipper Station''; to the Committee on Governmental Affairs.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. THURMOND:

S. Res. 259. A resolution designating the week beginning September 20, 1998, as ''National Historically Black Colleges and Universities Week,'' and for other purposes; to the Committee on the Judiciary.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. AKAKA:

S. 2368. A bill to permit the use of the proceeds from Senate recycling efforts for the expenses and activities of the Senate Employees Child Care Center; to the Committee on Rules and Administration.

SENATE DAY CARE RECYCLING FUNDING SUPPORT ACT

• Mr. AKAKA. Mr. President. I am pleased to introduce legislation today that would enable the Senate Employees Child Care Center (SECCC) to receive the proceeds from Senate recycling or other waste prevention programs. Specifically, my bill would authorize the Architect of the Capitol to receive funds from Senate recycling programs and make those funds available for the activities and expenses of the SECCC, subject to the regular appropriations process. The effect of this measure will be to provide the SECCC with a potentially steady, if relatively small, source of income as well as create an additional incentive for the Senate to support recycling efforts.

Mr. President, the SECCC was established as a non-profit 501(c)(3) corporation in 1984 by parents who work for the Senate. Today, the center provides full and part-time care for about 50 children between the ages of 18 months and 5 years. The SECCC is open to the entire community, with priority enrollment reserved for children of Senate employees. The SECCC is accredited by the National Academy of Early Childhood Programs, a division of the National Association of Young Children. It first received such recognition in 1989, the first day care center in Washington, D.C., to be so distinguished.

The SECCC is governed by an independent board composed of the parents of children enrolled at the center. A cooperative relationship exists between the SECCC and the Senate. The parents, through the board, are responsible for oversight of SECCC operations; the Senate provides critical support, such as providing for the facility itself and utilities. The Senate is providing the funds for the construction of a new center, near the Daniel Webster Senate Page Residence, which is expected to be ready for occupancy within a few months.

The Senate currently does not appropriate annual funds for the operation of the SECCC. The SECCC's annual operating budget of approximately $535,000 is funded entirely through tuition payments and the center's fundraising efforts. These funds are used to defray costs associated with tuition assistance (scholarships), teacher salaries, curriculum materials, meals, general office expenses, advertising and marketing, accounting and audit fees, professional development, and unemployment and liability insurance.

The recycling program for House and Senate buildings is operated by the Office Waste Recycling Program (OWRP),

under the Architect of the Capitol. Through OWRP, the Architect is responsible for collecting and bundling recycled materials; a private contractor, under contract to the General Services Administration, serves as the recycling facility. However, the Architect does not have the authority to receive funds from recycling or other so-called ''enterprise'' activities; thus, all recycling funds from both the Senate and House are deposited in the General Fund of the U.S. Treasury.

The OWRP started as pilot project in 1990–91 and was expanded on a voluntary participation basis to all offices in the House and Senate office buildings in 1992. The program is based on the concept of source separation, an approach that includes the separation, collection, and removal of high and mixed grade paper as well as aluminum cans, glass, and certain types of plastic materials. The effectiveness of the program depends on the active participation of Congressional staff, who are needed to separate recyclables into designated receptacles, and the custodial and labor forces, who must ensure that materials remain segregated during the collection process.

The program has been a success in certain respects. For example, it has allowed Congress to avoid paying costs associated with hauling away and landfilling recycled materials, since these costs are borne by the recycling contractor. According to the OWRP, in FY97, the House Office Buildings recycled 2,247 tons of paper, cans, glass, and plastic, avoiding landfill/haulaway costs of $173,000. For the same year, the Senate Office Buildings collected 898 tons, for a savings of $69,146.

However, actual revenues generated by the program have been nominal. The Senate recycling program, for example, brought in a relatively paltry $2,694 in FY96 and $2,364 in FY97, the last full year for which we have data, while collecting an estimated 1,021 tons and 886 tons of paper waste. The reason for this seemingly low return is that the contractor is not required to pay for materials that are contaminated by a certain percentage. With respect to paper, which constitutes the bulk of Senate recyclables, contamination refers to mixing with other recyclable (e.g., newspapers with high grade paper) or with foreign matter such as food. Apparently, Senate and House recycled materials have relatively high contamination levels, a fact which may be attributed in part to an absence of incentives on the part of Congressional offices to recycle.

This is in sharp contrast to the situation with federal agencies, which beginning in 1991 have had the authority to retain recycling proceeds, either to defray the cost of maintaining recycling programs and/or direct them to programs that directly benefit employees, including day care activities. In my opinion, it is no accident that while the level of participation in recycling programs varies from agency to agency, overall the Executive Branch agencies' recycling programs are much more robust than Congress'.

Mr. President, my bill would authorize the Architect of the Capitol to receive Senate recycling funds and make them available for the payment of SECCC activities and expenses, through the annual appropriations process. This would achieve two mutually beneficial goals: first, to provide a small but important supplement to the day care center's operating budget; second, to improve the efficiency of the Senate recycling program by establishing an internal incentive to recycle.

Thank you, Mr. President. I urge my colleagues to support this legislation. I ask unanimous consent that a copy of my bill as well as a letter supporting the legislation from the SECCC's board of directors be printed in the RECORD.

There being no objection, the items were ordered to be printed in the RECORD, as follows:

S. 2368

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Senate Day Care Center Recycling Funding Support Act''.

SEC. 2. RECYCLING FUNDING FOR THE SENATE DAY CARE CENTER.

(a) IN GENERAL.—The Architect of the Capitol shall receive all funds collected through Senate recycling or waste prevention programs and deposit those amounts in an account in the Treasury which shall be available for payment of the activities and expenses of the Senate Employees Child Care Center.

(b) SUBJECT TO APPROPRIATIONS.—Amounts deposited in the account referred to in subsection (a) shall be available to the extent provided in appropriations Acts.

SENATE EMPLOYEES' CHILD CARE CENTER,
Washington, DC, July 27, 1998.

Hon. DANIEL K. AKAKA,
Hart Senate Building,
Washington, DC.

DEAR SENATOR AKAKA: The Board of Directors of the Senate Employees Child Care Center (SECCC) strongly supports legislation that would allow the SECCC to receive the proceeds from the Senate recycling and other waste prevention programs to support the operating and other expenses of the SECCC. This support was demonstrated in a recent unanimous vote during our board meeting on July 15, 1998.

We have been advised that the receipts from the Senate recycling program total several thousand dollars a year. Should the legislation pass, we anticipate applying the funds to our tuition assistance program, which helps families who may not be able to afford the full cost of enrollment at the center. The funds from the recycling program would represent a substantial portion of the tuition assistance budget and would provide an annual contribution, allowing us to maintain the tuition assistance program over the long-term.

Thank you for any assistance you could provide in authorizing the SECCC to receive Senate recycling funds.

Sincerely,

HEIDI BONNER,
President,
SECCC Board of Directors.●

By Mr. ROTH:

S. 2369. A bill to amend the Social Security Act to establish the Personal Retirement Accounts Program; to the Committee on Finance.

THE PERSONAL RETIREMENT ACCOUNTS ACT OF 1998

Mr. ROTH. Mr. President, I rise today to introduce the Personal Retirement Accounts Act of 1998. This legislation has a simple but powerful purpose—to establish personal retirement accounts for working Americans. In my view, these accounts promise to give working Americans not only a more secure retirement future but a new stake in the Nation's economic growth. And, as I will describe, these accounts may provide the model for future Social Security reform.

A few years ago personal retirement accounts were an exotic and even controversial concept. But no longer! In 1996, a majority of a Clinton Administration task force on Social Security reform endorsed the concept. Today, personal retirement accounts are a bipartisan, even mainstream, idea. In March, Senator MOYNIHAN, the ranking Democrat on the Finance Committee, and Senator KERREY introduced legislation that would create retirement accounts as part of an overhaul of Social Security.

And earlier this month, bipartisan, bicameral Social Security reform legislation that included personal retirement accounts was introduced by Senators GREGG and BREAUX in the Senate, and by Congressmen KOLBE and STENHOLM in the House. Their bill is based on the unanimous recommendations of a privately sponsored National Commission on Retirement Policy—comprised of 24 lawmakers, economists, pension experts, and businessmen.

Yesterday, at a Social Security town hall meeting in Albquqerque, NM, the President said he had an ''open mind'' on personal retirement accounts. And in testimony before the Senate Finance Committee last week, a top Clinton Administration official offered several guidelines for designing such accounts, including efficiency, such as low administrative costs, and protection of the progressive benefits. My bill meets these guidelines.

Mr. President, let me explain why retirement accounts find so much support—not only in Congress but among the American people. With even conservative investment, such accounts have the potential to provide Americans with a substantial retirement nest egg, and an estate they can leave to their children and grandchildren.

Creating these accounts would also give the majority of Americans who do not own any investment assets a new stake in America's economic growth—because that growth will be returned directly to their benefit. More Americans will be the owners of capital—not just workers.

Creating these accounts may encourage Americans to save more. Today, Americans save less than people in almost every other country. But personal

retirement accounts will demonstrate to all Americans the magic of compound interest as even small savings grow significantly over time.

Lastly, creating these accounts will help Americans to better prepare for retirement. According to the CRS, 60 percent of Americans are not actively participating in a retirement program other than Social Security. A recent survey by the Employee Benefits Research Institute found that only about 45 percent of working Americans have tried to calculate how much they will need for retirement. It is my belief that retirement accounts will prompt Americans—particularly baby boomers—to think more about retirement planning.

Mr. President, let me describe a few of the features of my bill. First, the program would run for 5 years, from 1999 to 2003, utilizing half the budget surplus projected by CBO earlier this month.

Each year, every working American who earned a minimum of 4 quarters of Social Security coverage—about $2,900 in 1999—would receive a deposit in his or her personal retirement account. About 127 million Americans would receive a deposit in 1999.

The formula for sharing the surplus among the accounts is progressive. Each eligible individual would receive a minimum amount of $250 per year, plus an additional amount based on how much they paid in payroll taxes.

Over the life of the program, a minimum wage earner—someone earning $12,400 this year—would receive about $1,720. That amount is equal to a 34-percent rebate of his or her payroll taxes.

An average wage earner—earning $27,600—would receive about $2,300—equal to a 20-percent rebate of payroll taxes. And an individual who paid the maximum Social Security tax would get $3,840, a 14-percent rebate of payroll taxes. These figures do not include any investment income or deductions for the costs of running the program.

Account holders would have three investment choices—prudent choices that balance risk and return. The three choices are a stock index fund—a mutual fund that reflects the overall performance of the stock market; a fund that invests in corporate bonds and other fixed income securities; and a fund that invests in U.S. Treasury bonds.

However, my legislation also provides for a study of additional investment options—of other types of investment funds and investment managers.

An account holder would become eligible for benefits when he or she signs up for Social Security. An individual could choose between an annuity or annual payments based on life expectancy.

The bill also provides a number of features to ensure the program is properly run. First, the program would be neither on budget nor off budget. Instead, the program would be outside the Federal budget. The money in the program could be used for no other purpose than retirement benefits and the program's operating expenses.

Second, the program would be supervised by a new, independent Personal Retirement Board, with members appointed by the President and Congressional leaders and subject to Senate confirmation. Board officials would be fiduciaries, and required by law to act only in the best financial interests of beneficiaries.

Lastly, the stock funds would be managed by private sector investment managers. To insulate companies represented in the stock funds from politics, no board official or other government employee would be eligible to vote company proxies—only the investment managers.

Mr. President, the design of this personal retirement accounts plan follows a proven model—the Federal Thrift Savings Plan. Back in 1983, when I was Chairman of the Governmental Affairs Committee, the retirement program for Federal employees needed to be revamped. One of the new elements we added was the Federal Thrift Savings Plan—a defined contribution employee benefit plan—that has been a great success.

Mr. President, many Americans will undoubtedly ask, ''What size nest egg might grow in my personal retirement account?'' According to an analysis done by Social Security's actuaries, someone earning the minimum wage would have an account worth about $2,150 in 2004, assuming a 7.5 percent interest rate. For the average wage earner, the account would be worth about $2,870, and for the individual paying the maximum Social Security tax, about $4,770.

Of course, over the long term, accounts can grow significantly. For the minimum wage person, after 40 years—in 2039—his or her account would be worth about $27,000; the average wage earner would have $36,000; and the person paying the maximum payroll tax, $60,000.

Mr. President, some might ask, ''Why start with personal retirement accounts rather than proposing comprehensive Social Security reform?'' Indeed, my bill will not affect the current Social Security program. Personal retirement accounts are an exciting concept, but still a big job, requiring careful work by the Finance Committee.

And unlike many other Social Security reform proposals, retirement accounts have broad support. So let's get these accounts up and running, proven and tested, while Congress considers carefully protecting and preserving Social Security for the long term.

Mr. President, in closing, let me add that personal retirement accounts have another big promise. Such accounts—if later made a part of Social Security—may help restore the confidence of the American people in Social Security. Polls show that Social Security is among the most popular of government programs, deservedly so. But many Americans—particularly young Americans—appear to have lost confidence in the program. They believe that there will be no benefits for them when they retire. Personal retirement accounts will provide the accountability and assurances that Americans are asking for.

I encourage my colleagues to take a careful look at my bill, and I invite members to co-sponsor it.

Mr. President, I ask for unanimous consent that a copy of this bill be printed into the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2369

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the ''Personal Retirement Accounts Act of 1998''.

(b) TABLE OF CONTENTS.—The table of contents of this Act is as follows:

SEC. 2. FINDINGS.

Congress makes the following findings:

(1) The social security program is the foundation of retirement income for most Americans, and solving the financial problems of the social security program is a vital national priority and essential for the retirement security of today's working Americans and their families.

(2) There is a growing bipartisan consensus that personal retirement accounts should be an important feature of social security reform.

(3) Personal retirement accounts can provide a substantial retirement nest egg and real personal wealth. For an individual 28 years old on the date of enactment of this Act, earning an average wage, and retiring at age 65 in 2035, just 1 percent of that individual's wages deposited each year in a personal retirement account and invested in securities consisting of the Standard & Poors 500 would grow to $132,000, and be worth approximately 20 percent of the benefits that would be provided to the individual under the current provisions of the social security program.

(4) Personal retirement accounts would give the majority of Americans who do not own any investment assets a new stake in the economic growth of America.

(5) Personal retirement accounts would demonstrate the value of savings and the magic of compound interest to all Americans. Today, Americans save less than people in almost every other country.

(6) Personal retirement accounts would help Americans to better prepare for retirement generally. According to the Congressional Research Service, 60 percent of Americans are not actively participating in a retirement plan other than social security, although social security was never intended to be the sole source of retirement income.

(7) The Federal budget will register a surplus of $583,000,000,000 over fiscal years 1998 through 2003, offering a unique opportunity to begin a permanent solution to social security's financing.

(8) Using the Federal budget surplus to fund personal retirement accounts would be an important first step in comprehensive social security reform and ensuring the delivery of promised retirement benefits.

SEC. 3. SAVE SOCIAL SECURITY FIRST TRUST FUND.

(a) ESTABLISHMENT OF TRUST FUND.—There is established in the Treasury of the United States a trust fund to be known as the ''Save Social Security First Trust Fund'' (in this section referred to as the ''Trust Fund''), consisting of such amounts as are appropriated or credited to the Trust Fund as provided in this section.

(b) APPROPRIATION TO TRUST FUND.—There is appropriated to the Trust Fund, out of any sums in the Treasury not otherwise appropriated, an amount equal to $31,500,000,000 for fiscal year 1998 and $40,000,000,000 for fiscal year 1999. The Secretary of the Treasury shall transfer such amounts to the Trust Fund not later than—

(1) September 30, 1998, in the case of the amount appropriated for fiscal year 1998; and

(2) September 30, 1999, in the case of the amount appropriated for fiscal year 1999.

(c) INVESTMENT OF TRUST FUND.—The Secretary of the Treasury shall invest the Trust Fund in public debt securities with suitable maturities and bearing interest at rates determined by the Secretary, taking into consideration current market yields on outstanding marketable obligations of the United States of comparable maturities. The income on such investments shall be credited to and form a part of the Trust Fund.

(d) LIMITATION ON USE OF TRUST FUND.—Amounts in the Trust Fund shall not be appropriated or used for any purpose other than to be transferred to the Personal Retirement Savings Fund established under section 112 of the Social Security Act in accordance with section 111(b)(1) of such Act.

(e) DISSOLUTION OF TRUST FUND.—On the date of the transfer of all amounts in the Trust Fund to the Personal Retirement Savings Fund in accordance with section 111(b)(1) of the Social Security Act, the Trust Fund established under this section shall be dissolved.

SEC. 4. ESTABLISHMENT OF PERSONAL RETIREMENT ACCOUNTS PROGRAM.

The Social Security Act (42 U.S.C. 301 et seq.) is amended—

(1) by redesignating title I as title VI; and

(2) by inserting before title II the following:

''TITLE I—PERSONAL RETIREMENT ACCOUNTS PROGRAM

''Subtitle A—Management of the Personal Retirement Accounts Program

''SEC. 101. PERSONAL RETIREMENT ACCOUNTS BOARD.

''(a) ESTABLISHMENT.—There is established in the Executive Branch of the Government a Personal Retirement Accounts Board (in this title referred to as the 'Board').

''(b) COMPOSITION.—The Board shall be composed of—

''(1) 3 members appointed by the President, of whom 1 shall be designated by the President as Chairman; and

''(2) 2 members appointed by the President, of whom—

''(A) 1 shall be appointed by the President after taking into consideration the recommendation made by the Speaker of the House of Representatives in consultation with the Minority Leader of the House of Representatives; and

''(B) 1 shall be appointed by the President after taking into consideration the recommendation made by the Majority Leader of the Senate in consultation with the Minority Leader of the Senate.

''(c) ADVICE AND CONSENT.—Appointments under subsection (b) shall be made by and with the advice and consent of the Senate.

''(d) MEMBERSHIP REQUIREMENTS.—Members of the Board shall have substantial experience, training, and expertise in the management of financial investments and pension benefit plans.

''(e) LENGTH OF APPOINTMENTS.—

''(1) TERMS.—A member of the Board shall be appointed for a term of 4 years, except that of the members first appointed under subsection (b)—

''(A) the Chairman shall be appointed for a term of 4 years;

''(B) the members appointed under subsection (b)(2) shall be appointed for terms of 3 years; and

''(C) the remaining members shall be appointed for terms of 2 years.

''(2) VACANCIES.—

''(A) IN GENERAL.—A vacancy on the Board shall be filled in the manner in which the original appointment was made and shall be subject to any conditions that applied with respect to the original appointment.

''(B) COMPLETION OF TERM.—An individual chosen to fill a vacancy shall be appointed for the unexpired term of the member replaced.

''(3) EXPIRATION.—The term of any member shall not expire before the date on which the member's successor takes office.

''(f) DUTIES.—The Board shall—

''(1) administer the program established under this title;

''(2) establish policies for the investment and management of the Personal Retirement Savings Fund, including policies applicable to the outside entities and qualified professional asset managers with responsibility for managing the investment options described in section 121(b), that shall provide for—

''(A) prudent investments suitable for accumulating funds for payment of retirement income; and

''(B) low administrative costs.

''(3) review the performance of investments made for the Personal Retirement Savings Fund;

''(4) review and approve the budget of the Board; and

''(5) comply with the provisions of subtitle D.

''(g) ADMINISTRATIVE PROVISIONS.—

''(1) IN GENERAL.—The Board may—

''(A) adopt, alter, and use a seal;

''(B) except as provided in paragraph (2), direct the Executive Director to take such action as the Board considers appropriate to carry out the provisions of this title and the policies of the Board;

''(C) upon the concurring votes of 4 members, remove the Executive Director from office for good cause shown; and

''(D) take such other actions as may be necessary to carry out the functions of the Board.

''(2) MEETINGS.—The Board shall meet—

''(A) not less than once during each month; and

''(B) at additional times at the call of the Chairman.

''(3) EXERCISE OF POWERS.—

''(A) IN GENERAL.—Except as provided in paragraph (1)(C) and section 102(a)(1), the Board shall perform the functions and exercise the powers of the Board on a majority vote of a quorum of the Board. Three members of the Board shall constitute a quorum for the transaction of business.

''(B) VACANCIES.—A vacancy on the Board shall not impair the authority of a quorum of the Board to perform the functions and exercise the powers of the Board.

''(4) LIMITATION ON INVESTMENTS.—Except in the case of investments required by section 121 to be invested in securities of the Government, the Board may not direct the Executive Director to invest or to cause to be invested any sums in the Personal Retirement Savings Fund in a specific asset or to dispose of or cause to be disposed of any specific asset of such Fund.

''(h) COMPENSATION.—

''(1) IN GENERAL.—Each member of the Board who is not an officer or employee of the Federal Government shall be compensated at the daily rate of basic pay for level IV of the Executive Schedule for each day during which such member is engaged in performing a function of the Board.

''(2) EXPENSES.—A member of the Board shall be paid travel, per diem, and other necessary expenses under subchapter I of chapter 57 of title 5, United States Code, while traveling away from such member's home or regular place of business in the performance of the duties of the Board.

''(3) SOURCE OF FUNDS.—Payments authorized under this subsection shall be paid from the Personal Retirement Savings Fund.

''(i) DISCHARGE OF RESPONSIBILITIES.—The members of the Board shall discharge their responsibilities solely in the interest of account holders and beneficiaries under this title.

''(j) ANNUAL INDEPENDENT AUDIT.—The Board shall annually engage an independent qualified public accountant to audit the activities of the Board.

''(k) SUBMISSION OF BUDGET TO CONGRESS.—The Board shall prepare and submit to the President, and, at the same time, to the appropriate committees of Congress, an annual budget of the expenses and other items relating to the Board which shall be included as a separate item in the budget required to be transmitted to Congress under section 1105 of title 31, United States Code.

''(l) SUBMISSION OF LEGISLATIVE RECOMMENDATIONS.—The Board may submit to the President, and, at the same time, shall submit to each House of Congress, any legislative recommendations of the Board relating to any of its functions under this title or any other provision of law.

"SEC. 102. EXECUTIVE DIRECTOR.

''(a) APPOINTMENT OF EXECUTIVE DIRECTOR.—

''(1) IN GENERAL.—The Board shall appoint, without regard to the provisions of law governing appointments in the competitive service, an Executive Director by action agreed to by a majority of the members of the Board.

''(2) REQUIREMENTS.—The Executive Director shall have substantial experience, training, and expertise in the management of financial investments and pension benefit plans.

''(b) DUTIES.—The Executive Director shall—

''(1) carry out the policies established by the Board;

''(2) invest and manage the Personal Retirement Savings Fund in accordance with the investment policies and other policies established by the Board;

''(3) purchase annuity contracts and provide for the payment of benefits under this title;

''(4) administer the provisions of this title; and

''(5) prescribe such regulations (other than regulations relating to fiduciary responsibilities) as may be necessary for the administration of this title.

''(c) ADMINISTRATIVE AUTHORITY.—The Executive Director may—

''(1) prescribe such regulations as may be necessary to carry out the responsibilities of the Executive Director under this section, other than regulations relating to fiduciary responsibilities;

''(2) appoint such personnel as may be necessary to carry out the provisions of this title;

''(3) subject to approval by the Board, procure the services of experts and consultants under section 3109 of title 5, United States Code;

''(4) secure directly from an Executive agency, the United States Postal Service, or the Postal Rate Commission any information necessary to carry out the provisions of this title and the policies of the Board;

''(5) make such payments out of sums in the Personal Retirement Savings Fund as the Executive Director determines are necessary to carry out the provisions of this title and the policies of the Board;

''(6) pay the compensation, per diem, and travel expenses of individuals appointed under paragraphs (2), (3), and (7) from the Personal Retirement Savings Fund;

''(7) accept and use the services of individuals employed intermittently in the Government service and reimburse such individuals for travel expenses, as authorized by section 5703 of title 5, United States Code, including per diem as authorized by section 5702 of such title;

''(8) except as otherwise expressly prohibited by law or the policies of the Board, delegate any of the Executive Director's functions to such employees under the Board as the Executive Director may designate and authorize such successive redelegations of such functions to such employees under the Board as the Executive Director may consider to be necessary or appropriate; and

''(9) take such other actions as are appropriate to carry out the functions of the Executive Director.

"Subtitle B—Establishment of Personal Retirement Savings Fund; Personal Retirement Accounts

"SEC. 111. APPROPRIATIONS; ANNUAL TRANSFERS TO THE PERSONAL RETIREMENT SAVINGS FUND.

''(a) APPROPRIATIONS.—Out of any money in the Treasury of the United States not otherwise appropriated, there are appropriated for the purpose of making the transfers required under subsection (b)—

''(1) for fiscal year 2000, $40,000,000,000;

''(2) for fiscal year 2001, $43,000,000,000;

''(3) for fiscal year 2002, $70,000,000,000; and

''(4) for fiscal year 2003, $68,000,000,000.

''(b) TRANSFERS TO THE PERSONAL RETIREMENT SAVINGS FUND.—

''(1) TRANSFER OF AMOUNTS IN THE SAVE SOCIAL SECURITY FIRST TRUST FUND.—Not later than October 1, 1999, the Secretary of the Treasury shall transfer the obligations held by the Secretary for the Save Social Security First Trust Fund established under section 3 of the Personal Retirement Accounts Act of 1998, and the amount standing to the credit of such Trust Fund on the books of the Treasury on such date to the Personal Retirement Savings Fund established under section 112.

''(2) TRANSFER OF APPROPRIATED AMOUNTS.—With respect to a fiscal year for which an amount is appropriated under subsection (a), the Secretary of the Treasury shall transfer to the Personal Retirement Savings Fund established under section 112 the amount appropriated under subsection (a) for that fiscal year not later than—

''(A) September 30, 2000, in the case of the amount appropriated under such subsection for fiscal year 2000;

''(B) September 30, 2001, in the case of the amount appropriated under such subsection for fiscal year 2001;

''(C) September 30, 2002, in the case of the amount appropriated under such subsection for fiscal year 2002; and

''(D) September 30, 2003, in the case of the amount appropriated under such subsection for fiscal year 2003.

"SEC. 112. PERSONAL RETIREMENT SAVINGS FUND.

''(a) ESTABLISHMENT OF TRUST FUND.—There is established in the Treasury of the United States a Personal Retirement Savings Fund, consisting of all amounts deposited by the Secretary of the Treasury in accordance with section 111(b), increased by the total net earnings from investments of sums in the Personal Retirement Savings Fund or reduced by the total net losses from investments of the Fund, and reduced by the total amount of payments made from the Fund (including payments for administrative expenses).

''(b) AVAILABILITY.—The sums in the Personal Retirement Savings Fund are appropriated and shall remain available without fiscal year limitation—

''(1) to invest under section 121;

''(2) to pay benefits or purchase annuity contracts under this title;

''(3) to pay the administrative expenses of the Board;

''(4) to make distributions in accordance with sections 123 and 124; and

''(5) to purchase insurance as provided in section 134(b)(2).

''(c) LIMITATIONS ON USE OF FUNDS.—

''(1) IN GENERAL.—Sums in the Personal Retirement Savings Fund credited to the account of an individual may not be used for, or diverted to, purposes other than for the exclusive benefit of the account holder or the account holder's beneficiaries under this title.

''(2) ASSIGNMENTS.—Except as provided in paragraph (3), sums in the Personal Retirement Savings Fund may not be assigned or alienated and are not subject to execution, levy, attachment, garnishment, or other legal process.

''(3) SUPPORT OBLIGATIONS.—Moneys due or payable from the Personal Retirement Savings Fund to any account holder shall be subject to legal process for the enforcement of the account holder's legal obligations to provide child support or make alimony payments as provided in section 459 or for the enforcement of a court order or other similar process in the nature of a garnishment for the enforcement of a judgment rendered against the account holder for physically, sexually, or emotionally abusing a child.

''(d) PAYMENT OF ADMINISTRATIVE EXPENSES.—Administrative expenses incurred to carry out this title shall be paid out of net earnings in the Personal Retirement Savings Fund in conjunction with the allocation of investment earnings and losses under section 122(a)(2).

''(e) LIMITATION.—The sums in the Personal Retirement Savings Fund shall not be appropriated for any purpose other than the purposes specified in this section and may not be used for any other purpose.

''(f) FUNDS HELD IN TRUST.—All sums transferred to the Personal Retirement Savings Fund for the benefit of individuals eligible for personal retirement accounts, and all net earnings in such Fund attributable to investment of such sums, are held in such Fund in trust for such individuals.

"SEC. 113. PERSONAL RETIREMENT ACCOUNTS.

''(a) ESTABLISHMENT OF INDIVIDUAL ACCOUNTS.—

''(1) FISCAL YEAR 2000.—Not later than October 1, 1999, the Executive Director shall establish and maintain a personal retirement savings account for any individual who has worked 4 qualifying quarters of coverage, as determined under title II, in calendar year 1998.

''(2) SUBSEQUENT FISCAL YEARS.—Not later than October 1 of each fiscal year beginning after fiscal year 2000, the Executive Director shall establish and maintain a personal retirement savings account for any individual who has worked 4 qualifying quarters of coverage, as determined under title II, in the calendar year ending on December 31 of the preceding fiscal year and for whom the Executive Director has not previously established an account.

''(b) ALLOCATION OF FUNDS TO ACCOUNTS.—Beginning on October 1, 1999, and annually thereafter, the Executive Director shall allocate to each personal retirement savings account maintained on such date for the benefit of an individual who has worked 4 qualifying quarters of coverage, as determined under title II, in the calendar year ending on December 31 of the preceding fiscal year the amount determined under subsection (c).

''(c) AMOUNT DETERMINED.—

''(1) IN GENERAL.—For any fiscal year, the amount determined under this subsection is equal to the sum of—

''(A) $250, plus

''(B) the amount determined under paragraph (2) (if any).

''(2) PRO RATA SHARE OF REMAINDER.—For any fiscal year, the amount determined under this paragraph with respect to the account of each individual maintained on October 1 of such fiscal year is equal to the product of—

''(A) the remainder of the Fund Balance for such fiscal year, determined after the application of paragraph (1)(A); and

''(B) the ratio determined under paragraph (3).

''(3) RATIO DETERMINED.—The ratio determined under this paragraph is the ratio, expressed as a percentage, of—

''(A) the excess of—

''(i) the sum of—

''(I) the total tax imposed on the individual's wages under section 3101(a) of the Internal Revenue Code of 1986 (relating to taxes on employees) for the taxable year ending in the preceding fiscal year, plus

''(II) 50 percent of the total tax imposed on the individual's self-employment income under section 1401(a) of such Code (relating

to tax on self-employment income) for such taxable year, over

''(ii) $250; to

''(B) the total amount of such excess for all such individuals for such fiscal year.

''(4) DEFINITION OF FUND BALANCE.—In this subsection, the term 'Fund balance' means the net earnings and net losses from the investment of the sums transferred to the Personal Retirement Savings Fund in accordance with section 111(b), reduced by the appropriate share of the administrative expenses paid out of the net earnings under section 112(d), as determined by the Executive Director.

''Subtitle C—Investment and Administration of Personal Retirement Accounts

''SEC. 121. INVESTMENT OF PERSONAL RETIREMENT ACCOUNTS.

''(a) DEFINITIONS.—In this section—

''(1) the term 'Common Stock Index Investment Fund' means the Common Stock Index Investment Fund established under subsection (b)(1)(C);

''(2) the term 'equity capital' means common and preferred stock, surplus, undivided profits, contingency reserves, and other capital reserves;

''(3) the term 'Fixed Income Investment Fund' means the Fixed Income Investment Fund established under subsection (b)(1)(B);

''(4) the term 'Government Securities Investment Fund' means the Government Securities Investment Fund established under subsection (b)(1)(A);

''(5) the term 'net worth' means capital, paid-in and contributed surplus, unassigned surplus, contingency reserves, group contingency reserves, and special reserves;

''(6) the term ''plan'' means an employee benefit plan, as defined in section 3(3) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1002(3));

''(7) the term 'qualified professional asset manager' means—

''(A) a bank, as defined in section 202(a)(2) of the Investment Advisers Act of 1940 (15 U.S.C. 80b–2(a)(2)) which—

''(i) has the power to manage, acquire, or dispose of assets of a plan; and

''(ii) has, as of the last day of its latest fiscal year ending before the date of a determination for the purpose of this clause, equity capital in excess of $1,000,000;

''(B) a savings and loan association, the accounts of which are insured by the Federal Deposit Insurance Corporation, which—

''(i) has applied for and been granted trust powers to manage, acquire, or dispose of assets of a plan by a State or Government authority having supervision over savings and loan associations; and

''(ii) has, as of the last day of its latest fiscal year ending before the date of a determination for the purpose of this clause, equity capital or net worth in excess of $1,000,000;

''(C) an insurance company which—

''(i) is qualified under the laws of more than 1 State to manage, acquire, or dispose of any assets of a plan;

''(ii) has, as of the last day of its latest fiscal year ending before the date of a determination for the purpose of this clause, net worth in excess of $1,000,000; and

''(iii) is subject to supervision and examination by a State authority having supervision over insurance companies; or

''(D) an investment adviser registered under section 203 of the Investment Advisers Act of 1940 (15 U.S.C. 80b–3) if the investment adviser has, on the last day of its latest fiscal year ending before the date of a determination for the purpose of this subparagraph, total client assets under its management and control in excess of $50,000,000, and—

''(i) the investment adviser has, on such day, shareholder's or partner's equity in excess of $750,000; or

''(ii) payment of all of the investment adviser's liabilities, including any liabilities which may arise by reason of a breach or violation of a duty described in section 131, is unconditionally guaranteed by—

''(I) a person (as defined in paragraph (9)) who directly or indirectly, through 1 or more intermediaries, controls, is controlled by, or is under common control with the investment adviser and who has, on the last day of the person's latest fiscal year ending before the date of a determination for the purpose of this clause, shareholder's or partner's equity in an amount which, when added to the amount of the shareholder's or partner's equity of the investment adviser on such day, exceeds $750,000;

''(II) a qualified professional asset manager described in subparagraph (A), (B), or (C); or

''(III) a broker or dealer registered under section 15 of the Securities Exchange Act of 1934 (15 U.S.C. 78o) that has, on the last day of the broker's or dealer's latest fiscal year ending before the date of a determination for the purpose of this clause, net worth in excess of $750,000;

''(8) the term 'shareholder's or partner's equity', as used in paragraph (7)(D) with respect to an investment adviser or a person (as defined in paragraph (9)) who is affiliated with the investment adviser in a manner described in clause (ii)(I) of such paragraph, means the equity shown in the most recent balance sheet prepared for such investment adviser or affiliated person, in accordance with generally accepted accounting principles, within 2 years before the date on which the investment adviser's status as a qualified professional asset manager is determined for the purposes of this section; and

''(9) the term 'person' means an individual, partnership, joint venture, corporation, mutual company, joint-stock company, trust, estate, unincorporated organization, association, or labor organization.

''(b) ESTABLISHMENT OF INVESTMENT OPTIONS.—

''(1) INITIAL FUNDS.—The Board shall establish—

''(A) a Government Securities Investment Fund under which sums in the Personal Retirement Savings Fund are invested in securities of the United States Government issued as provided in subsection (e);

''(B) a Fixed Income Investment Fund under which sums in the Personal Retirement Savings Fund are invested in—

''(i) insurance contracts;

''(ii) certificates of deposits; or

''(iii) other instruments or obligations selected by qualified professional asset managers,

that return the amount invested and pay interest, at a specified rate or rates, on that amount during a specified period of time;

''(C) a Common Stock Index Investment Fund as provided in paragraph (3);

''(2) ADDITIONAL FUNDS.—The Board may approve diversified, indexed funds that are not described in paragraph (1) and that meet such other criteria as the Board may establish for inclusion among the investment choices offered to account holders under this title.

''(3) COMMON STOCK FUND REQUIREMENTS.—

''(A) SELECTION OF INDEX.—The Board shall select an index which is a commonly recognized index comprised of common stock the aggregate market value of which is a reasonably complete representation of the United States equity markets.

''(B) INVESTMENT IN PORTFOLIO.—The Common Stock Index Investment Fund shall be invested in a portfolio designed to replicate the performance of the index selected under subparagraph (A). The portfolio shall be designed such that, to the extent practicable, the percentage of the Common Stock Index Investment Fund that is invested in each stock is the same as the percentage determined by dividing the aggregate market value of all shares of that stock by the aggregate market value of all shares of all stocks included in such index.

''(c) INVESTMENT OF FUND.—

''(1) IN GENERAL.—The Executive Director shall invest the sums available in the Personal Retirement Savings Fund for investment as provided in elections made under subsection (d).

''(2) INVESTMENT IF NO ELECTION.—If an election has not been made with respect to any sums in the Personal Retirement Savings Fund available for investment, the Executive Director shall invest such sums in the Government Securities Investment Fund.

''(d) ELECTION OF INVESTMENTS.—

''(1) TWICE YEARLY.—At least twice each year, an account holder may elect the investment funds referred to in subsection (b) into which the sums in the Personal Retirement Savings Fund credited to such individual's account are to be invested or reinvested.

''(2) REGULATIONS.—An election may be made under paragraph (1) only in accordance with regulations prescribed by the Executive Director and within such period as the Executive Director shall provide in such regulations.

''(e) GOVERNMENT SECURITIES INVESTMENT FUND.—

''(1) AUTHORIZATION TO ISSUE CERTAIN OBLIGATIONS.—The Secretary of the Treasury is authorized to issue special interest-bearing obligations of the United States for purchase by the Personal Retirement Savings Fund for the Government Securities Investment Fund.

''(2) REQUIREMENTS.—

''(A) IN GENERAL.—Obligations issued for the purpose of this subsection shall have maturities fixed with due regard to the needs of such Fund as determined by the Executive Director, and shall bear interest at a rate equal to the average market yield (computed by the Secretary of the Treasury on the basis of market quotations as of the end of the calendar month next preceding the date of issue of such obligations) on all marketable interest-bearing obligations of the United States then forming a part of the public debt which are not due or callable earlier than 4 years after the end of such calendar month.

''(B) ROUNDING.—Any average market yield computed under subparagraph (A) which is not a multiple of ⅛ of 1 percent, shall be rounded to the nearest multiple of ⅛ of 1 percent.

''(f) LIMITATION ON VOTING RIGHTS.—The Board, other Government agencies, the Executive Director, and an account holder may not exercise voting rights associated with the ownership of securities by the Personal Retirement Savings Fund.

''SEC. 122. ACCOUNTING AND INFORMATION.

''(a) BALANCE OF PERSONAL RETIREMENT ACCOUNTS.—

''(1) IN GENERAL.—The balance in an individual's account established under section 113 at any time is the excess of—

''(A) the sum of—

''(i) all allocations made to the account under section 113(b); and

''(ii) the total amount of the allocations made to and reductions made in the account pursuant to paragraph (2), over

''(B) the amounts paid out of the Personal Retirement Savings Fund with respect to such individual.

''(2) ALLOCATION OF INVESTMENT EARNINGS AND LOSSES.—Pursuant to regulations prescribed by the Executive Director, the Executive Director shall allocate to each account an amount equal to a pro rata share of the net earnings and net losses from each investment of sums in the Personal Retirement Savings Fund attributable to sums credited to such account, reduced by an appropriate share of the administrative expenses paid out of the net earnings under section 112(d), as determined by the Executive Director.

''(b) ANNUAL, INDEPENDENT AUDITS.—

''(1) DEFINITION.—In this subsection, the term 'qualified public accountant' shall have the same meaning as provided in section 103(a)(3)(D) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1023(a)(3)(D)).

''(2) INDEPENDENT ACCOUNTANT.—The Executive Director shall annually engage, on behalf of all account holders under this title, an independent qualified public accountant, who shall conduct an examination of all accounts and other books and records maintained in the administration of this title as the public accountant considers necessary to enable the public accountant to make the determination required by paragraph (3). The examination shall be conducted in accordance with generally accepted auditing standards and shall involve such tests of the accounts, books, and records as the public accountant considers necessary.

''(3) DETERMINATION REQUIRED.—The public accountant conducting an examination under paragraph (2) shall determine whether the accounts, books, and records referred to in such paragraph have been maintained in conformity with generally accepted accounting principles applied on a basis consistent with the manner in which such principles were applied during the examination conducted under such paragraph during the preceding year. The public accountant shall transmit to the Board a report on his examination, including his determination under this paragraph.

''(4) RELIANCE ON ACTUARIAL MATTER.—In making a determination under paragraph (3), a public accountant may rely on the correctness of any actuarial matter certified by an enrolled actuary if the public accountant states his reliance in the report transmitted to the Board under such paragraph.

''(c) STATEMENTS.—

''(1) IN GENERAL.—The Board shall prescribe regulations under which each account holder under this title shall be furnished with—

''(A) a periodic statement relating to the individual's account; and

''(B) a summary description of the investment options under section 121 covering, and an evaluation of, each such option the 5-year period preceding the date as of which such evaluation is made.

''(2) TIMING.—Information under this subsection shall be provided at least 30 calendar days before the beginning of each election period under section 121(d), and in a manner designed to facilitate informed decisionmaking with respect to elections under section 121.

''(d) ACKNOWLEDGEMENT.—Each account holder who elects to invest in the Common Stock Index Investment Fund, the Fixed Income Investment Fund, or any other Fund designated by the Board shall sign an acknowledgement prescribed by the Executive Director which states that the account holder understands that an investment in such Fund is made at the account holder's risk, that the account holder is not protected by the Government against any loss on such investment, and that a return on such investment is not guaranteed by the Government.

''SEC. 123. DISTRIBUTION OF BENEFITS.

''(a) TIMING OF DISTRIBUTIONS.—Notwithstanding any other provision of law, distributions may only be made from a personal retirement savings account of an individual on or after the earlier of the date on which the individual begins receiving old-age benefits under title II or the date of the individual's death.

''(b) FORM OF DISTRIBUTION.—

''(1) IN GENERAL.—Subject to section 125, an individual is entitled and may elect to withdraw from the Personal Retirement Savings Fund the balance of the individual's personal retirement savings account as—

''(A) an annuity; or

''(B) substantially equal payments to be made over a period not greater than the life expectancy of the individual or the joint life expectancies of the individual and the individual's designated beneficiary.

''(2) LUMP-SUM REQUIRED FOR MINIMUM AMOUNTS.—Notwithstanding paragraph (1), if the balance in an individual's personal retirement savings account is below such minimum amount as the Board, by regulation, shall establish, the account shall be distributed in a single lump-sum payment.

''(c) CHANGE OF ELECTION OF DISTRIBUTION.—

''(1) IN GENERAL.—Subject to paragraph (2) and subsections (a) and (c) of section 125, an account holder may change an election previously made under this section.

''(2) LIMITATION.—An account holder may not change an election under this section on or after the date on which a payment is made in accordance with such election or, in the case of an election to receive an annuity, the date on which an annuity contract is purchased to provide for the annuity elected by the account holder.

''(d) RULES IF NO ELECTION.—If an account holder dies without having made an election under this section or after having elected an annuity under this section but before making an election under section 124, an amount equal to the value of that individual's account (as of death) shall, subject to any decree, order, or agreement referred to in section 125(c)(2), be paid in a manner consistent with section 126(b).

''SEC. 124. ANNUITIES: METHODS OF PAYMENT; ELECTION; PURCHASE.

''(a) METHODS OF PAYMENT.—

''(1) IN GENERAL.—The Board shall prescribe methods of payment of annuities under this title.

''(2) REQUIREMENTS.—The methods of payment prescribed under paragraph (1) shall include—

''(A) a method that provides for the payment of a monthly annuity only to an annuitant during the life of the annuitant;

''(B) a method that provides for the payment of a monthly annuity to an annuitant for the joint lives of the annuitant and the spouse of the annuitant and an appropriate monthly annuity to the one of them who survives the other of them for the life of the survivor;

''(C) a method described in subparagraph (A) that provides for automatic adjustments in the amount of the annuity payable so long as the amount of the annuity payable in any 1 year shall not be less than the amount payable in the previous year;

''(D) a method described in subparagraph (B) that provides for automatic adjustments in the amount of the annuity payable so long as the amount of the annuity payable in any 1 year shall not be less than the amount payable in the previous year; and

''(E) a method which provides for the payment of a monthly annuity—

''(i) to the annuitant for the joint lives of the annuitant and an individual who is designated by the annuitant under regulations prescribed by the Executive Director and—

''(I) is a former spouse of the annuitant; or

''(II) has an insurable interest in the annuitant; and

''(ii) to the one of them who survives the other of them for the life of the survivor.

''(b) TIMING.—Subject to section 125(b), under such regulations as the Executive Director shall prescribe, an account holder who elects under section 123 to receive an annuity under this title shall elect, on or before the date on which an annuity contract is purchased to provide for that annuity, one of the methods of payment prescribed under subsection (a).

''(c) ELIMINATION OF METHODS.—Notwithstanding the elimination of a method of payment by the Board, an account holder may elect the eliminated method if the elimination of such method becomes effective less than 5 years before the date on which that account holder's annuity commences.

''(d) PURCHASE REQUIREMENTS.—

''(1) TIMING.—Not earlier than 90 days (or such shorter period as the Executive Director may by regulation prescribe) before an annuity is to commence under this title, the Executive Director shall expend the balance in the annuitant's account to purchase an annuity contract from any entity which, in the normal course of its business, sells and provides annuities.

''(2) COMPLIANCE WITH PROGRAM REQUIREMENTS.—The Executive Director shall ensure, by contract entered into with each entity from which an annuity contract is purchased under paragraph (1), that the annuity shall be provided in accordance with the provisions of this title.

''(3) ADDITIONAL TERMS AND CONDITIONS.—An annuity contract purchased under paragraph (1) shall include such terms and conditions as the Executive Director requires for the protection of the annuitant.

''(4) BONDING REQUIREMENTS.—The Executive Director shall require, from each entity from which an annuity contract is purchased under paragraph (1), a bond or proof of financial responsibility sufficient to protect the annuitant.

''(e) NONAPPLICATION OF STATE TAX.—

''(1) IN GENERAL.—No tax, fee, or other monetary payment may be imposed or collected by any State, the District of Columbia, or the Commonwealth of Puerto Rico, or by any political subdivision or other governmental authority thereof, on, or with respect to, any amount paid to purchase an annuity contract under this section.

''(2) RULE OF CONSTRUCTION.—Paragraph (1) shall not be construed to exempt any company or other entity issuing an annuity contract under this section from the imposition, payment, or collection of a tax, fee, or other monetary payment on the net income or profit accruing to or realized by that entity from the sale of an annuity contract under this section if that tax, fee, or payment is applicable to a broad range of business activity.

''SEC. 125. PROTECTIONS FOR SPOUSES AND FORMER SPOUSES.

''(a) LIMITATION ON WITHDRAWALS.—

''(1) APPLICATION OF REQUIREMENTS.—

''(A) IN GENERAL.—A married account holder may withdraw all or part of a personal retirement savings account under section 123 or change a withdrawal election only if the account holder satisfies the requirements of subparagraph (B).

''(B) JOINT WRITTEN WAIVER.—An account holder may make an election or change referred to in subparagraph (A) if the account holder and the account holder's spouse jointly waive, by written election, any right that the spouse may have to a survivor annuity

with respect to such account holder under section 124 or subsection (b).

''(2) EXCEPTION.—Paragraph (1) shall not apply to an election or change of election by an account holder who establishes to the satisfaction of the Executive Director (at the time of the election or change and in accordance with regulations prescribed by the Executive Director)—

''(A) that the spouse's whereabouts cannot be determined; or

''(B) that, due to exceptional circumstances, requiring the spouse's waiver would otherwise be inappropriate.

''(b) METHOD OF ANNUITY.—

''(1) SURVIVOR ANNUITIES.—Notwithstanding any election under section 124(b), the method described in section 124(a)(2)(B) (or, if more than one form of such method is available, the form that the Board determines to be the one that for a surviving spouse a survivor annuity most closely approximating the annuity of a surviving spouse under section 8442 of title 5, United States Code) shall be deemed the applicable method under section 124(b) in the case of an account holder who is married on the date on which an annuity contract is purchased to provide for the account holder's annuity under this title.

''(2) EXCEPTIONS.—Paragraph (1) shall not apply if—

''(A) a joint waiver of such method is made, in writing, by the account holder and the spouse; or

''(B) the account holder waives such method, in writing, after establishing to the satisfaction of the Executive Director that circumstances described under subparagraph (A) or (B) of subsection (a)(2) make the requirement of a joint waiver inappropriate.

''(c) NONAPPLICATION OF ELECTION.—

''(1) IN GENERAL.—An election or change of election shall not be effective under this title to the extent that the election, change, or transfer conflicts with any court decree, order, or agreement described in paragraph (2).

''(2) COURT DECREE, ORDER, OR AGREEMENT DESCRIBED.—A court decree, order, or agreement described in this paragraph is, with respect to an account holder, a court decree of divorce, annulment, or legal separation issued in the case of such account holder and any former spouse of the account holder or any court order or court-approved property settlement agreement incident to such decree if—

''(A) the decree, order, or agreement expressly relates to any portion of the balance in the individual's personal retirement savings account; and

''(B) notice of the decree, order, or agreement was received by the Executive Director before—

''(i) the date on which payment is made, or

''(ii) in the case of an annuity, the date on which an annuity contract is purchased to provide for the annuity,

in accordance with the election, change, or contribution referred to in paragraph (1).

''(3) 2 OR MORE CASES.—The Executive Director shall prescribe regulations under which this subsection shall be applied in any case in which the Executive Director receives 2 or more decrees, orders, or agreements referred to in paragraph (1).

''(d) PROCEDURES FOR WAIVERS.—Waivers and notifications required by this section and waivers of the requirements for such waivers and notifications (as authorized by this section) may be made only in accordance with procedures prescribed by the Executive Director.

''(e) NONAPPLICATION.—None of the provisions of this section requiring notification to, or the consent or waiver of, a spouse or former spouse of an account holder shall apply in any case in which the account balance of the individual is equal to or less than such amount as the Board, by regulation, shall prescribe.

''SEC. 126. DESIGNATION OF BENEFICIARY; ORDER OF PRECEDENCE.

''(a) DESIGNATION OF BENEFICIARIES.—Under regulations prescribed by the Board, an account holder may designate 1 or more beneficiaries under this section.

''(b) PAYMENTS.—

''(1) IN GENERAL.—Benefits authorized to be paid to an account holder to individuals surviving the account holder and alive at the time of distribution shall be made according to the following:

''(A) First, to the beneficiary or beneficiaries designated by the account holder in a signed and witnessed writing received by the Executive Director before the death of such account holder. For this purpose, a designation, change, or cancellation of beneficiary in a will or other document not so executed and filed has no force or effect.

''(B) Second, if there is no designated beneficiary, to the widow or widower of the account holder.

''(C) Third, if none of the above, to the child or children of the account holder and descendants of deceased children by representation.

''(D) Fourth, if none of the above, to the parents of the account holder or the survivor of them.

''(E) Fifth, if none of the above, to the duly appointed executor or administrator of the estate of the account holder.

''(F) Sixth, if none of the above, to such other next of kin of the account holder as the Board determines to be entitled under the laws of the domicile of the account holder at the date of death of the account holder.

''(2) BAR ON OTHER RECOVERIES.—A payment made in accordance with paragraph (1) shall bar any other recovery by—

''(A) the individual receiving the payment; and

''(B) any other individual.

''(3) DEFINITION OF CHILD.—In this section, the term 'child' includes a natural child and an adopted child, but does not include a stepchild.

''(c) TERMINATION OF AN ANNUITY.—Any annuity accrued and unpaid on the termination, except by death, of the annuity of an annuitant or survivor shall be paid to that individual. Annuity accrued and unpaid on the death of a survivor shall be paid in the following order of precedence, and the payment bars recovery by any other person:

''(1) First, to the duly appointed executor or administrator of the estate of the survivor.

''(2) Second, if there is no executor or administrator, payment may be made, after 30 days from the date of death of the survivor, to such next of kin of the survivor as the Board determines to be entitled under the laws of the domicile of the survivor at the date of death.

''SEC. 127. TAX TREATMENT OF THE PERSONAL RETIREMENT SAVINGS FUND.

''For purposes of the Internal Revenue Code of 1986—

''(1) the Personal Retirement Savings Fund shall be treated as a trust described in section 401(a) of such Code that is exempt from taxation under section 501(a) of such Code;

''(2) any contribution to, or distribution from, such Fund shall be treated in the same manner as contributions to or distributions from such a trust; and

''(3) allocations made to an account holder's personal retirement savings account shall not be treated as distributed or made available to the account holder.

''SEC. 128. ADMINISTRATIVE PROVISIONS.

''(a) DUTY OF EXECUTIVE DIRECTOR.—The Executive Director shall make or provide for payments and transfers in accordance with an election of an account holder under section 123 or 124(b) or, if applicable, in accordance with section 125.

''(b) WRITTEN REQUIREMENTS.—Any election, change of election, or modification of a deferred annuity commencement date made under this title shall be in writing and shall be filed with the Executive Director in accordance with regulations prescribed by the Executive Director.

''Subtitle D—Beneficiary Protections

''SEC. 131. FIDUCIARY RESPONSIBILITIES; LIABILITY AND PENALTIES.

''(a) DEFINITIONS.—For the purposes of this section—

''(1) the term 'account' is not limited to the personal retirement savings account established for an individual under section 113;

''(2) the term 'adequate consideration' means—

''(A) in the case of a security for which there is a generally recognized market—

''(i) the price of the security prevailing on a national securities exchange that is registered under section 6 of the Securities Exchange Act of 1934 (15 U.S.C. 78f); or

''(ii) if the security is not traded on such a national securities exchange, a price not less favorable to the Personal Retirement Savings Fund than the offering price for the security as established by the current bid and asked prices quoted by persons independent of the issuer and of any party in interest; and

''(B) in the case of an asset other than a security for which there is a generally recognized market, the fair market value of the asset as determined in good faith by a fiduciary or fiduciaries in accordance with regulations prescribed by the Secretary of Labor;

''(3) the term 'fiduciary' means—

''(A) a member of the Board;

''(B) the Executive Director;

''(C) any person who has or exercises discretionary authority or discretionary control over the management or disposition of the assets of the Personal Retirement Savings Fund; and

''(D) any person who, with respect to the Personal Retirement Savings Fund, is described in section 3(21)(A) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1002(21)(A)); and

''(4) the term 'party in interest' includes—

''(A) any fiduciary;

''(B) any counsel to a person who is a fiduciary, with respect to the actions of such person as a fiduciary;

''(C) any individual for which a personal retirement account is established under section 113;

''(D) any person providing services to the Board and, with respect to the actions of the Executive Director as a fiduciary, any person providing services to the Executive Director;

''(E) a spouse, sibling, ancestor, lineal descendant, or spouse of a lineal descendant of a person described in subparagraph (A), (B), or (D);

''(F) a corporation, partnership, or trust or estate of which, or in which, at least 50 percent of—

''(i) the combined voting power of all classes of stock entitled to vote or the total value of shares of all classes of stock of such corporation;

''(ii) the capital interest or profits interest of such partnership; or

''(iii) the beneficial interest of such trust or estate;

is owned directly or indirectly, or held by a person described in subparagraph (A), (B), or (D);

''(G) an official (including a director) of, or an individual employed by, a person described in subparagraph (A), (B), (D), or (F), or an individual having powers or responsibilities similar to those of such an official;

''(H) a holder (directly or indirectly) of at least 10 percent of the shares in a person described in any subparagraph referred to in subparagraph (G); and

''(I) a person who, directly or indirectly, is at least a 10 percent partner or joint venturer (measured in capital or profits) in a person described in any subparagraph referred to in subparagraph (G).

''(b) DISCHARGE OF RESPONSIBILITIES.—

''(1) IN GENERAL.—To the extent not inconsistent with the provisions of this title and the policies prescribed by the Board, a fiduciary shall discharge his or her responsibilities with respect to the Personal Retirement Savings Fund or any applicable portion thereof solely in the interest of the account holders and beneficiaries of such Fund and—

''(A) for the exclusive purpose of—

''(i) providing benefits to such account holders and beneficiaries; and

''(ii) defraying reasonable expenses of administering the Personal Retirement Savings Fund or applicable portions thereof;

''(B) with the care, skill, prudence, and diligence under the circumstances then prevailing that a prudent individual acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like objectives; and

''(C) to the extent permitted by section 121, by diversifying the investments of the Personal Retirement Savings Fund or applicable portions thereof so as to minimize the risk of large losses, unless under the circumstances it is clearly prudent not to do so.

''(2) LIMITATION ON OWNERSHIP.—No fiduciary may maintain the indicia of ownership of any assets of the Personal Retirement Savings Fund outside the jurisdiction of the district courts of the United States.

''(c) LIMITATIONS ON TRANSACTIONS.—

''(1) PROHIBITED TRANSACTIONS.—A fiduciary shall not permit the Personal Retirement Savings Fund to engage in any of the following transactions, except in exchange for adequate consideration:

''(A) A transfer of any assets of the Personal Retirement Savings Fund to any person the fiduciary knows or should know to be a party in interest or the use of such assets by any such person.

''(B) An acquisition of any property from or sale of any property to the Personal Retirement Savings Fund by any person the fiduciary knows or should know to be a party in interest.

''(C) A transfer or exchange of services between the Personal Retirement Savings Fund and any person the fiduciary knows or should know to be a party in interest.

''(2) OTHER PROHIBITIONS.—Notwithstanding paragraph (1), a fiduciary with respect to the Personal Retirement Savings Fund shall not—

''(A) deal with any assets of the Personal Retirement Savings Fund in his or her own interest or for his or her own account;

''(B) act, in an individual capacity or any other capacity, in any transaction involving the Personal Retirement Savings Fund on behalf of a party, or representing a party, whose interests are adverse to the interests of the Personal Retirement Savings Fund or the interests of the account holders and beneficiaries of such Fund; or

''(C) receive any consideration for his or her own personal account from any party dealing with sums credited to the Personal Retirement Savings Fund in connection with a transaction involving assets of the Personal Retirement Savings Fund.

''(3) EXEMPTION BY THE SECRETARY OF LABOR.—

''(A) IN GENERAL.—The Secretary of Labor may, in accordance with procedures which the Secretary shall by regulation prescribe, grant a conditional or unconditional exemption of any fiduciary or transaction, or class of fiduciaries or transactions, from all or part of the restrictions imposed by paragraph (2).

''(B) NONAPPLICATION TO OTHER APPLICABLE PROVISIONS.—An exemption granted under this paragraph shall not relieve a fiduciary from any other applicable provision of this title.

''(C) REQUIREMENTS.—The Secretary of Labor may not grant an exemption under this paragraph unless the Secretary finds that such exemption is—

''(i) administratively feasible;

''(ii) in the interests of the Personal Retirement Savings Fund and of the account holders and beneficiaries of such Fund; and

''(iii) protective of the rights of such account holders and beneficiaries.

''(D) NOTICE.—An exemption under this paragraph may not be granted unless—

''(i) notice of the proposed exemption is published in the Federal Register;

''(ii) interested persons are given an opportunity to present views; and

''(iii) the Secretary of Labor affords an opportunity for a hearing and makes a determination on the record with respect to the respective requirements of clauses (i), (ii), and (iii) of subparagraph (C).

''(E) ERISA EXEMPTIONS.—Notwithstanding subparagraph (D), the Secretary of Labor may determine that an exemption granted for any class of fiduciaries or transactions under section 408(a) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1108(a)) shall, upon publication of notice in the Federal Register under this subparagraph, constitute an exemption for purposes of the provisions of paragraph (2).

''(d) BENEFITS AND COMPENSATION.—This section does not prohibit any fiduciary from—

''(1) receiving any benefit that the fiduciary is entitled to receive under this title as a beneficiary of the Personal Retirement Savings Fund;

''(2) receiving any reasonable compensation authorized by this title for services rendered, or for reimbursement of expenses properly and actually incurred, in the performance of the fiduciary's duties under this title; or

''(3) serving as a fiduciary in addition to being an officer, employee, agent, or other representative of a party in interest.

''(e) BREACH OF DUTIES.—

''(1) PERSONAL LIABILITY.—

''(A) IN GENERAL.—Any fiduciary that breaches the responsibilities, duties, and obligations set out in subsection (b) or violates subsection (c) shall be personally liable to the Personal Retirement Savings Fund for any losses to such Fund resulting from each such breach or violation and to restore to such Fund any profits made by the fiduciary through use of assets of such Fund by the fiduciary, and shall be subject to such other equitable or remedial relief as a court considers appropriate, except as provided in paragraphs (3) and (4). A fiduciary may be removed for a breach referred to in the preceding sentence.

''(B) CIVIL PENALTIES.—The Secretary of Labor may assess a civil penalty against a party in interest with respect to each transaction that is engaged in by the party in interest and is prohibited by subsection (c). The amount of such penalty shall be equal to 5 percent of the amount involved in each such transaction (as defined in section 4975(f)(4) of the Internal Revenue Code of 1986) for each year or part thereof during which the prohibited transaction continues, except that, if the transaction is not corrected (in such manner as the Secretary of Labor shall prescribe by regulation consistent with section 4975(f)(5) of such Code) within 90 days after the date the Secretary of Labor transmits notice to the party in interest (or such longer period as the Secretary of Labor may permit), such penalty may be in an amount not more than 100 percent of the amount involved.

''(C) ACTS COMMITTED PRIOR TO OR AFTER SERVICE.—A fiduciary shall not be liable under subparagraph (A) with respect to a breach of fiduciary duty under subsection (b) committed before becoming a fiduciary or after ceasing to be a fiduciary.

''(D) JOINT AND SEVERAL LIABILITY.—A fiduciary shall be jointly and severally liable under subparagraph (A) for a breach of fiduciary duty under subsection (b) by another fiduciary only if—

''(i) the fiduciary participates knowingly in, or knowingly undertakes to conceal, an act or omission of such other fiduciary, knowing such act or omission is such a breach;

''(ii) by the fiduciary's failure to comply with subsection (b) in the administration of the fiduciary's specific responsibilities that give rise to the fiduciary status, the fiduciary has enabled such other fiduciary to commit such a breach; or

''(iii) the fiduciary has knowledge of a breach by such other fiduciary, unless the fiduciary makes reasonable efforts under the circumstances to remedy the breach.

''(E) REGULATIONS.—The Secretary of Labor shall prescribe, in regulations, procedures for allocating fiduciary responsibilities among fiduciaries, including investment managers. Any fiduciary who, pursuant to such procedures, allocates to a person or persons any fiduciary responsibility shall not be liable for an act or omission of such person or persons unless—

''(i) such fiduciary violated subsection (b) with respect to the allocation, with respect to the implementation of the procedures prescribed by the Secretary of Labor (or the Board), or in continuing such allocation; or

''(ii) such fiduciary would otherwise be liable in accordance with subparagraph (D).

''(2) REQUIREMENTS FOR CIVIL ACTIONS.—

''(A) IN GENERAL.—No civil action may be maintained against any fiduciary with respect to the responsibilities, liabilities, and penalties authorized or provided for in this section except in accordance with subparagraphs (B) and (C).

''(B) JURISDICTION.—A civil action may be brought in the district courts of the United States—

''(i) by the Secretary of Labor against any fiduciary other than a Member of the Board or the Executive Director of the Board—

''(I) to determine and enforce a liability under paragraph (1)(A);

''(II) to collect any civil penalty under paragraph (1)(B);

''(III) to enjoin any act or practice that violates any provision of subsection (b) or (c);

''(IV) to obtain any other appropriate equitable relief to redress a violation of any such provision; or

''(V) to enjoin any act or practice that violates subsection (g)(3) or (i) of section 101;

''(ii) by any beneficiary or fiduciary against any fiduciary—

''(I) to enjoin any act or practice that violates any provision of subsection (b) or (c);

''(II) to obtain any other appropriate equitable relief to redress a violation of any such provision; or

''(III) to enjoin any act or practice that violates subsection (g)(3) or (i) of section 101; or

''(iii) by any beneficiary or fiduciary—

''(I) to recover benefits of the beneficiary under the provisions of this title, to enforce any right of the beneficiary under such provisions, or to clarify any such right to future benefits under such provisions; or

''(II) to enforce any claim otherwise cognizable under sections 1346(b) and 2671 through 2680 of title 28, United States Code, provided that the remedy against the United States provided by sections 1346(b) and 2672 of such title for damages for injury or loss of property caused by the negligent or wrongful act or omission of any fiduciary while acting within the scope of his duties or employment shall be exclusive of any other civil action or proceeding by the beneficiary for recovery of money by reason of the same subject matter against the fiduciary (or the estate of such fiduciary) whose act or omission gave rise to such action or proceeding, whether or not such action or proceeding is based on an alleged violation of subsection (b) or (c).

''(C) LEGAL REPRESENTATION.—

''(i) DEPARTMENT OF LABOR.—In all civil actions under subparagraph (B)(i), attorneys appointed by the Secretary of Labor may represent the Secretary (except as provided in section 518(a) of title 28, United States Code), however all such litigation shall be subject to the direction and control of the Attorney General.

''(ii) DEPARTMENT OF JUSTICE.—The Attorney General shall defend any civil action or proceeding brought in any court against any fiduciary referred to in subparagraph (B)(iii)(II) (or the estate of such fiduciary) for any such injury. Any fiduciary against whom such a civil action or proceeding is brought shall deliver, within such time after date of service or knowledge of service as determined by the Attorney General, all process served upon such fiduciary (or an attested copy thereof) to the Executive Director of the Board, who shall promptly furnish copies of the pleading and process to the Attorney General and the United States Attorney for the district wherein the action or proceeding is brought.

''(iii) REMOVAL.—Upon certification by the Attorney General that a fiduciary described in subparagraph (B)(iii)(II) was acting in the scope of such fiduciary's duties or employment as a fiduciary at the time of the occurrence or omission out of which the action arose, any such civil action or proceeding commenced in a State court shall be—

''(I) removed without bond at any time before trial by the Attorney General to the district court of the United States for the district and division in which it is pending; and

''(II) deemed a tort action brought against the United States under the provisions of title 28, United States Code, and all references thereto.

''(iv) SETTLEMENT.—The Attorney General may compromise or settle any claim asserted in such civil action or proceeding in the manner provided in section 2677 of title 28, United States Code, and with the same effect. To the extent section 2672 of such title provides that persons other than the Attorney General or his designee may compromise and settle claims, and that payment of such claims may be made from agency appropriations, such provisions shall not apply to claims based upon an alleged violation of subsection (b) or (c).

''(v) NONAPPLICATION OF PROVISION.—For the purposes of subparagraph (B)(iii)(II), the provisions of section 2680(h) of title 28, United States Code, shall not apply to any claim based upon an alleged violation of subsection (b) or (c).

''(vi) PAYMENT.—Notwithstanding sections 1346(b) and 2671 through 2680 of title 28, United States Code, whenever an award, compromise, or settlement is made under such sections upon any claim based upon an alleged violation of subsection (b) or (c), payment of such award, compromise, or settlement shall be made to the appropriate account within the Personal Retirement Savings Fund, or where there is no such appropriate account, to the beneficiary bringing the claim.

''(vii) LIMITATION ON DEFINITION OF FIDUCIARY.—For purposes of subparagraph (B)(iii)(II), fiduciary includes only the members of the Board and the Board's Executive Director.

''(D) LIMITATION ON RECOVERY.—Any relief awarded against a member of the Board or the Executive Director of the Board in a civil action authorized by subparagraph (B) may not include any monetary damages or any other recovery of money.

''(E) LIMITATION ON COMMENCEMENT OF ACTIONS.—An action may not be commenced under subparagraph (B) with respect to a fiduciary's breach of any responsibility, duty, or obligation under subsection (b) or a violation of subsection (c) after the earlier of—

''(i) 6 years after—

''(I) the date of the last action that constituted a part of the breach or violation; or

''(II) in the case of an omission, the latest date on which the fiduciary could have cured the breach or violation; or

''(ii) 3 years after the earliest date on which the plaintiff had actual knowledge of the breach or violation, except that, in the case of fraud or concealment, such action may be commenced not later than 6 years after the date of discovery of such breach or violation.

''(F) EXCLUSIVE JURISDICTION.—

''(i) IN GENERAL.—The district courts of the United States shall have exclusive jurisdiction of civil actions under this subsection.

''(ii) VENUE.—An action under this subsection may be brought in the District Court of the United States for the District of Columbia or a district court of the United States in the district where the breach alleged in the complaint or petition filed in the action took place or in the district where a defendant resides or may be found. Process may be served in any other district where a defendant resides or may be found.

''(G) FILING OF COMPLAINT.—

''(i) SERVICE.—A copy of the complaint or petition filed in any action brought under this subsection (other than by the Secretary of Labor) shall be served on the Executive Director, the Secretary of Labor, and the Secretary of the Treasury by certified mail.

''(ii) INTERVENTION.—Any officer referred to in clause (i) of this subparagraph shall have the right in his or her discretion to intervene in any action. If the Secretary of Labor brings an action under this paragraph on behalf of a beneficiary, the officer shall notify the Executive Director and the Secretary of the Treasury.

''(f) REGULATIONS.—The Secretary of Labor may prescribe regulations to carry out this section.

''(g) AUDITS.—

''(1) IN GENERAL.—The Secretary of Labor shall establish a program to carry out audits to determine the level of compliance with the requirements of this section relating to fiduciary responsibilities and prohibited activities of fiduciaries.

''(2) CONDUCT.—An audit under this subsection may be conducted by the Secretary of Labor, by contract with a qualified nongovernmental organization, or in cooperation with the Comptroller General of the United States, as the Secretary considers appropriate.

''SEC. 132. BONDING.

''(a) REQUIREMENT.—

''(1) IN GENERAL.—Except as provided in paragraph (2), each fiduciary and each person who handles funds or property of the Personal Retirement Savings Fund shall be bonded as provided in this section.

''(2) EXCEPTIONS.—

''(A) IN GENERAL.—Bond shall not be required of a fiduciary (or of any officer or employee of such fiduciary) if such fiduciary—

''(i) is a corporation organized and doing business under the laws of the United States or of any State;

''(ii) is authorized under such laws to exercise trust powers or to conduct an insurance business;

''(iii) is subject to supervision or examination by Federal or State authority; and

''(iv) has at all times a combined capital and surplus in excess of such minimum amount (not less than $1,000,000) as the Secretary of Labor prescribes in regulations.

''(B) BANKS OR OTHER FINANCIAL INSTITUTIONS.—If—

''(i) a bank or other financial institution would, but for this subparagraph, not be required to be bonded under this section by reason of the application of the exception provided in subparagraph (A);

''(ii) the bank or financial institution is authorized to exercise trust powers; and

''(iii) the deposits of the bank or financial institution are not insured by the Federal Deposit Insurance Corporation,

such exception shall apply to such bank or financial institution only if the bank or institution meets bonding requirements under State law which the Secretary of Labor determines are at least equivalent to those imposed on banks by Federal law.

''(b) AMOUNT OF BOND.—

''(1) MINIMUM REQUIREMENTS.—The Secretary of Labor shall prescribe the amount of a bond under this section at the beginning of each fiscal year. Except as otherwise provided in this paragraph, such amount shall not be less than 10 percent of the amount of funds handled. In no case shall such bond be less than $1,000 nor more than $500,000, except that the Secretary of Labor, after due notice and opportunity for hearing to all interested parties, and other consideration of the record, may prescribe an amount in excess of $500,000.

''(2) DETERMINATION OF AMOUNT OF FUNDS.—For the purpose of prescribing the amount of a bond under paragraph (1), the amount of funds handled shall be determined by reference to the amount of the funds handled by the person, group, or class to be covered by such bond or by their predecessor or predecessors, if any, during the preceding fiscal year, or to the amount of funds to be handled during the current fiscal year by such person, group, or class, estimated as provided in regulations prescribed by the Secretary of Labor.

''(c) OTHER REQUIREMENTS.—A bond required by subsection (a)—

''(1) shall include such terms and conditions as the Secretary of Labor considers necessary to protect the Personal Retirement Savings Fund against loss by reason of acts of fraud or dishonesty on the part of the bonded person directly or through connivance with others;

''(2) shall have as surety thereon a corporate surety company that is an acceptable surety on Federal bonds under authority granted by the Secretary of the Treasury pursuant to sections 9304 through 9308 of title 31, United States Code; and

''(3) shall be in a form or of a type approved by the Secretary of Labor, including individual bonds or schedule or blanket forms of bonds that cover a group or class.

''(d) PROHIBITIONS.—

''(1) BOND REQUIRED.—It shall be unlawful for any person to whom subsection (a) applies, to receive, handle, disburse, or otherwise exercise custody or control of any of the funds or other property of the Personal Retirement Savings Fund without being bonded as required by this section.

''(2) MEET ALL REQUIREMENTS.—It shall be unlawful for any fiduciary, or any other person having authority to direct the performance of functions described in paragraph (1), to permit any such function to be performed by any person to whom subsection (a) applies unless such person has met the requirements of such subsection.

''(e) NONAPPLICATION OF OTHER LAWS.—Notwithstanding any other provision of law, any person who is required to be bonded as provided in subsection (a) shall be exempt from any other provision of law that, but for this subsection, would require such person to be bonded for the handling of the funds or other property of the Personal Retirement Savings Fund.

''(f) REGULATIONS.—The Secretary of Labor shall prescribe such regulations as may be necessary to carry out the provisions of this section, including exempting a person or class of persons from the requirements of this section.

''SEC. 133. INVESTIGATIVE AUTHORITY.

Any authority available to the Secretary of Labor under section 504 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1134) is hereby made available to the Secretary of Labor, and any officer designated by the Secretary of Labor, to determine whether any person has violated, or is about to violate, any provision of section 131 or 132.

''SEC. 134. EXCULPATORY PROVISIONS; INSURANCE.

''(a) NONAPPLICATION OF EXCULPATORY PROVISIONS.—Any provision in an agreement or instrument that purports to relieve a fiduciary from responsibility or liability for any responsibility, obligation, or duty under this title shall be void.

''(b) LIABILITY INSURANCE.—Sums credited to the Personal Retirement Savings Fund may be used at the discretion of the Executive Director to purchase insurance to cover the potential liability of persons who serve in a fiduciary capacity with respect to the Personal Retirement Savings Fund, without regard to whether a policy of insurance permits recourse by the insurer against the fiduciary in the case of a breach of a fiduciary obligation.''.

SEC. 5. REPORT AND RECOMMENDATIONS REGARDING INVESTMENT OPTIONS.

Not later than 36 months after the date of enactment of this Act, the Personal Retirement Accounts Board established under section 101 of the Social Security Act (as amended by section 4 of this Act) shall submit to the appropriate committees of Congress a report regarding recommendations for additional investment options for individuals with personal retirement accounts established under title I of the Social Security Act (as so amended). The report shall include recommendations regarding—

(1) whether the Board should make available to such account holders investment funds managed by qualified professional asset managers (as defined in section 121(a)(7) of the Social Security Act (as amended by section 4 of this Act));

(2) whether such account holders should be permitted to transfer all or a portion of the balance in their personal retirement accounts to a new form of individual retirement account that would be managed by qualified professional asset managers (as so defined);

(3) whether the Board should provide an alternative for the investment of a personal retirement account for which no investment election is made to investment in the Government Securities Investment Fund provided for under section 121(c)(2) of the Social Security Act (as so amended); and

(4) whether the Board should offer diversified investment selections for such account holders that takes into consideration the age of the individual.

By Mr. CLELAND:

S. 2370. A bill to designate the facility of the United States Postal Service located at Tall Timbers Village Square, Untied States Highway 19 South, in Thomasville, Georgia, as the ''Lieutenant Henry O. Flipper Station''; to the Committee on Governmental Affairs.

LIEUTENANT HENRY O. FLIPPER STATION

Mr. CLELAND. Mr. President, today I am introducing a bill in honor of an American patriot, Lieutenant Henry Ossian Flipper, on whose behalf I offer this legislation for the designation of the Lieutenant Henry O. Flipper Station, a postal station being constructed in Thomasville, Georgia.

It is an honor for me to highlight the contributions of this courageous American. Born in 1856, in Thomasville, Georgia, Lieutenant Flipper was the first African-American to graduate from the United States Military Academy at West Point in 1877.

Lieutenant Flipper had a distinguished career as an Army officer. His first assignment to frontier duty was with the Tenth Cavalry at Fort Sill, Oklahoma. The Tenth, along with its sister unit, the Ninth Cavalry unit, were responsible for facilitating the movement of pioneers wishing to settle in the Western frontier. The African-American members of these two units became known as ''Buffalo Soldiers.'' During his tenure at Fort Sill, Lieutenant Flipper ingeniously engineered a drainage system to eliminate stagnant malarial ponds and swamps created during the rainy season. This effort made a significant contribution to improving the health of the Post, and the ditch, christened ''Flipper's Ditch,'' is now a historic landmark.

Lieutenant Flipper was instrumental in the successful 1880 campaign against Mescalero Apache Chief Victorio, an escapee from the military authorities in New Mexico. Facing a judicial sentence for murder in 1879, Victorio was able to escape, gather his forces and begin a rampage throughout New Mexico and Texas. Through tough terrain and logistical challenges, the soldiers of the Ninth and Tenth Cavalry were able to push Victorio into Mexico where he was killed by the Mexican Army.

It is very timely that we commemorate Lieutenant Flipper since this year is the fiftieth anniversary of the racial integration of the military. This action marked a historic change which has led to significant progress in eliminating racial barriers. Lieutenant Flipper's legacy is that of a pioneer in confronting the challenges of racial strife who paved the way for this evolution. Although Lieutenant Flipper left the military in 1882, he was able to prove to America that African-Americans possessed the quality of military leadership.

After the end of his military service in 1882, Lieutenant Flipper continued a very distinguished career, applying his surveying and engineering skills as a civil and mining engineer on the frontiers of the Southwest and Mexico. He became the first African-American to gain prominence in the engineering profession.

Historical accounts depict the solid perseverance of Lieutenant Flipper. He confronted racial bias demonstrating unflinchingly strong character and intellect. In a book entitled ''An Officer and a Gentlemen,'' historian Steve Wilson is credited with compiling a list of ''firsts'' for an African-American which were achieved by Lieutenant Flipper: Military Academy graduate, cavalry officer, surveyor, cartographer, civil and mining engineer, translator, interpreter, inventor, editor, author, special agent for the Justice Department, personal confident and advisor to a Senator, and pioneer in the oil industry.

In a ceremony in 1977, Lieutenant General Sidney B. Berry, the United States Military Academy's Superintendent, praised Lieutenant Flipper's memory, stating that, ''there was a strength and gentleness that transcended any bad treatment Flipper received. He was a strong and gentle man.'' Lieutenant Flipper was a pioneer for civil rights in the military and in the civilian community. Although he had a very successful civilian life, Lieutenant Flipper always considered himself first and foremost an Army officer.

I join the residents of Thomasville in this quest of the post office designation in honor of Lieutenant Flipper. Not only is this hero one of Georgia's own, Lieutenant Flipper has earned the respect of a grateful Nation. The measure I am submitting today will give him this well-deserved recognition.

Mr. President, I request unanimous consent that the full text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2370

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. DESIGNATION OF LIEUTENANT HENRY O. FLIPPER STATION.

(a) IN GENERAL.—The facility of the United States Postal Service located at Tall Timbers Village Square, United States Highway 19 South, in Thomasville, Georgia, shall be known and designated as the ''Lieutenant Henry O. Flipper Station''.

(b) REFERENCES.—Any reference in a law, map, regulation, document, paper, or other record of the United States to the facility of the United States Postal Service referred to in subsection (a) shall be deemed to be a reference to the ''Lieutenant Henry O. Flipper Station''.

ADDITIONAL COSPONSORS

S. 230

At the request of Mr. THURMOND, the name of the Senator from Idaho (Mr. KEMPTHORNE) was added as a cosponsor of S. 230, a bill to amend section 1951 of title 18, United States Code (commonly known as the Hobbs Act), and for other purposes.

S. 778

At the request of Mr. LUGAR, the name of the Senator from Arizona (Mr. MCCAIN) was added as a cosponsor of S. 778, a bill to authorize a new trade and investment policy for sub-Saharan Africa.

S. 852

At the request of Mr. LOTT, the name of the Senator from New York (Mr. D'AMATO) was added as a cosponsor of S. 852, a bill to establish nationally uniform requirements regarding the titling and registration of salvage, nonrepairable, and rebuilt vehicles.

S. 981

At the request of Mr. LEVIN, the name of the Senator from New York (Mr. MOYNIHAN) was added as a cosponsor of S. 981, a bill to provide for analysis of major rules.

S. 1021

At the request of Mr. HAGEL, the name of the Senator from Ohio (Mr. DEWINE) was added as a cosponsor of S. 1021, a bill to amend title 5, United States Code, to provide that consideration may not be denied to preference eligibles applying for certain positions in the competitive service, and for other purposes.

S. 1252

At the request of Mr. D'AMATO, the name of the Senator from Virginia (Mr. WARNER) was added as a cosponsor of S. 1252, a bill to amend the Internal Revenue Code of 1986 to increase the amount of low-income housing credits which may be allocated in each State, and to index such amount for inflation.

S. 1360

At the request of Mr. ABRAHAM, the name of the Senator from Virginia (Mr. ROBB) was added as a cosponsor of S. 1360, a bill to amend the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 to clarify and improve the requirements for the development of an automated entry-exit control system, to enhance land border control and enforcement, and for other purposes.

S. 1413

At the request of Mr. LUGAR, the name of the Senator from Virginia (Mr. ROBB) was added as a cosponsor of S. 1413, a bill to provide a framework for consideration by the legislative and executive branches of unilateral economic sanctions.

S. 1480

At the request of Ms. SNOWE, the names of the Senator from Hawaii (Mr. INOUYE), the Senator from Hawaii (Mr. AKAKA), and the Senator from Delaware (Mr. ROTH) were added as cosponsors of S. 1480, a bill to authorize appropriations for the National Oceanic and Atmospheric Administration to conduct research, monitoring, education and management activities for the eradication and control of harmful algal blooms, including blooms of Pfiesteria piscicida and other aquatic toxins.

S. 1675

At the request of Mr. SHELBY, the name of the Senator from Texas (Mrs. HUTCHISON) was added as a cosponsor of S. 1675, a bill to establish a Congressional Office of Regulatory Analysis.

S. 1759

At the request of Mr. HATCH, the names of the Senator from Idaho [Mr. CRAIG], the Senator from South Carolina [Mr. THURMOND], the Senator from Kentucky [Mr. FORD], the Senator from Idaho [Mr. KEMPTHORNE], the Senator from Michigan [Mr. LEVIN], and the Senator from Alaska [Mr. STEVENS] were added as cosponsors of S. 1759, a bill to grant a Federal charter to the American GI Forum of the United States.

S. 1868

At the request of Mr. NICKLES, the name of the Senator from Montana [Mr. BURNS] was added as a cosponsor of S. 1868, a bill to express United States foreign policy with respect to, and to strengthen United States advocacy on behalf of, individuals persecuted for their faith worldwide; to authorize United States actions in response to religious persecution worldwide; to establish an Ambassador at Large on International Religious Freedom within the Department of State, a Commission on International Religious Persecution, and a Special Adviser on International Religious Freedom within the National Security Council; and for other purposes.

S. 1929

At the request of Mrs. HUTCHISON, the name of the Senator from Oklahoma [Mr. INHOFE] was added as a cosponsor of S. 1929, a bill to amend the Internal Revenue Code of 1986 to provide tax incentives to encourage production of oil and gas within the United States, and for other purposes.

S. 1960

At the request of Mr. WARNER, the name of the Senator from Virginia [Mr. ROBB] was added as a cosponsor of S. 1960, a bill to allow the National Park Service to acquire certain land for addition to the Wilderness Battlefield, as previously authorized by law, by purchase or exchange as well as by donation.

S. 2130

At the request of Mr. GRAMS, the name of the Senator from Colorado [Mr. CAMPBELL] was added as a cosponsor of S. 2130, a bill to amend the Internal Revenue Code of 1986 to provide additional retirement savings opportunities for small employers, including self-employed individuals.

S. 2180

At the request of Mr. LOTT, the names of the Senator from Florida [Mr. MACK], the Senator from South Dakota [Mr. JOHNSON], the Senator from Arkansas [Mr. HUTCHINSON], the Senator from Colorado [Mr. ALLARD], the Senator from Virginia [Mr. ROBB], the Senator from Utah [Mr. HATCH], the Senator from Iowa [Mr. GRASSLEY], the Senator from Utah [Mr. BENNETT], and the Senator from Colorado [Mr. CAMPBELL] were added as cosponsors of S. 2180, a bill to amend the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 to clarify liability under that Act for certain recycling transactions.

S. 2217

At the request of Mr. FRIST, the names of the Senator from California [Mrs. BOXER], the Senator from Ohio [Mr. DEWINE], the Senator from Maine [Ms. SNOWE], the Senator from California [Mrs. FEINSTEIN], the Senator from Texas [Mrs. HUTCHISON], and the Senator from Illinois [Mr. DURBIN] were added as cosponsors of S. 2217, a bill to provide for continuation of the Federal research investment in a fiscally sustainable way, and for other purposes.

S. 2344

At the request of Mr. COVERDELL, the names of the Senator from Iowa [Mr. GRASSLEY] and the Senator from Kansas [Mr. ROBERTS] were added as cosponsors of S. 2344, a bill to amend the Agricultural Market Transition Act to provide for the advance payment, in full, of the fiscal year 1999 payments otherwise required under production flexibility contracts.

At the request of Mr. HAGEL, his name was added as a cosponsor of S. 2344, supra.

S. 2352

At the request of Mr. LEAHY, the names of the Senator from Arizona [Mr. MCCAIN), the Senator from Idaho [Mr. CRAIG), and the Senator from New Hampshire [Mr. SMITH) were added as cosponsors of S. 2352, a bill to protect the privacy rights of patients.

S. 2354

At the request of Mr. BOND, the name of the Senator from Texas [Mrs. HUTCHISON) was added as a cosponsor of S. 2354, a bill to amend title XVIII of the Social Security Act to impose a moratorium on the implementation of the per beneficiary limits under the interim payment system for home health agencies, and to modify the standards for calculating the per visit cost limits and the rates for prospective payment systems under the medicare home health benefit to achieve fair reimbursement payment rates, and for other purposes.

S. 2358

At the request of Mr. ROCKEFELLER, the name of the Senator from Nevada [Mr. BRYAN) was added as a cosponsor of S. 2358, a bill to provide for the establishment of a service-connection for illnesses associated with service in the Persian Gulf War, to extend and enhance certain health care authorities relating to such service, and for other purposes.

SENATE RESOLUTION 95

At the request of Mr. THURMOND, the name of the Senator from Connecticut [Mr. DODD] was added as a cosponsor of Senate Resolution 95, a resolution designating August 16, 1997, as ''National Airborne Day.''

SENATE RESOLUTION 189

At the request of Mr. TORRICELLI, the name of the Senator from Utah [Mr. HATCH) was added as a cosponsor of Senate Resolution 189, a resolution honoring the 150th anniversary of the United States Women's Rights Movement that was initiated by the 1848 Women's Rights Convention held in Seneca Falls, New York, and calling for a national celebration of women's rights in 1998.

AMENDMENT NO. 3354

At the request of Mr. DEWINE the names of the Senator from Alabama [Mr. SESSIONS), the Senator from Michigan [Mr. ABRAHAM), and the Senator from Arizona [Mr. MCCAIN) were added as cosponsors of amendment No. 3354 proposed to S. 2312, an original bill making appropriations for the Treasury Department, the United States Postal Service, the Executive Office of the President, and certain Independent Agencies, for the fiscal year ending September 30, 1999, and for other purposes.

AMENDMENT NO. 3357

At the request of Mr. THOMPSON the names of the Senator from Mississippi [Mr. LOTT), the Senator from Louisiana [Mr. BREAUX), the Senator from Alabama [Mr. SHELBY), and the Senator from Virginia [Mr. ROBB) were added as cosponsors of amendment No. 3357 proposed to S. 2312, an original bill making appropriations for the Treasury Department, the United States Postal Service, the Executive Office of the President, and certain Independent Agencies, for the fiscal year ending September 30, 1999, and for other purposes.

SENATE RESOLUTION 259—DESIGNATING ''NATIONAL HISTORICALLY BLACK COLLEGES AND UNIVERSITIES WEEK''

Mr. THURMOND submitted the following resolution; which was referred to the Committee on the Judiciary:

S. RES. 259

Whereas there are 104 historically black colleges and universities in the United States;

Whereas black colleges and universities provide the quality education so essential to full participation in a complex, highly technological society;

Whereas black colleges and universities have a rich heritage and have played a prominent role in American history;

Whereas black colleges and universities have allowed many underprivileged students to attain their full potential through higher education; and

Whereas the achievements and goals of historically black colleges and universities are deserving of national recognition: Now, therefore, be it

Resolved, That the Senate—

(1) designates the week beginning September 20, 1998, as ''National Historically Black Colleges and Universities Week''; and

(2) requests that the President of the United States issue a proclamation calling on the people of the United States and interested groups to observe the week with appropriate ceremonies, activities, and programs to demonstrate support for historically black colleges and universities in the United States.

• Mr. THURMOND. Mr. President, I am pleased to submit today a Senate Resolution which authorizes and requests the President to designate the week beginning September 20, 1998, as ''National Historically Black Colleges and Universities Week.''

It is my privilege to sponsor this legislation for the thirteenth time honoring the Historically Black Colleges of our Country.

Eight of the 104 Historically Black Colleges, namely Allen University, Benedict College, Claflin College, South Carolina State University, Morris College, Voorhees College, Denmark Technical College, and Clinton Junior College, are located in my home State. These colleges are vital to the higher education system of South Carolina. They have provided thousands of economically disadvantaged young people with the opportunity to obtain a college education.

Mr. President, thousands of young Americans have received quality educations at these 104 schools. These institutions have a long and distinguished history of providing the training necessary for participation in a rapidly changing society. Historically Black Colleges offer our citizens a variety of curricula and programs through which young people develop skills and talents, thereby expanding opportunities for continued social progress.

Mr. President, through passage of this Senate Resolution, Congress can reaffirm its support for Historically Black Colleges, and appropriately recognize their important contributions to our Nation. I look forward to the speedy passage of this Resolution.•

AMENDMENT SUBMITTED

TREASURY AND GENERAL GOVERNMENT APPROPRIATIONS ACT, 1999

BROWNBACK (AND OTHERS) AMENDMENT NO. 3359

Mr. BROWNBACK (for himself, Mr. ASHCROFT, Mr. INHOFE, Mr. GRAMS, Mr. SMITH of New Hampshire, Mrs. HUTCHISON, Mr. FAIRCLOTH, Mr. ABRAHAM, Mr. LOTT, Mr. CAMPBELL, Mr. HELMS, Mr. SMITH of Oregon, and Mr. HUTCHINSON) proposed an amendment to the bill (S. 2312) making appropriations for the Treasury Department, the United States Postal Service, the Executive Office of the President, and certain Independent Agencies, for the fiscal year ending September 30, 1999, and for other purposes; as follows:

At the appropriate place insert the following:

SEC. ___. COMBINED RETURN TO WHICH UNMARRIED RATES APPLY.

(a) IN GENERAL.—Subpart B of part II of subchapter A of chapter 61 of the Internal Revenue Code of 1986 (relating to income tax returns) is amended by inserting after section 6013 the following new section:

''SEC. 6013A. COMBINED RETURN WITH SEPARATE RATES.

''(a) GENERAL RULE.—A husband and wife may make a combined return of income taxes under subtitle A under which—

''(1) a separate taxable income is determined for each spouse by applying the rules provided in this section, and

''(2) the tax imposed by section 1 is the aggregate amount resulting from applying the separate rates set forth in section 1(c) to each such taxable income.

''(b) DETERMINATION OF TAXABLE INCOME.—

''(1) IN GENERAL.—For purposes of subsection (a)(1), the taxable income for each spouse shall be one-half of the taxable income computed as if the spouses were filing a joint return.

''(2) NONITEMIZERS.—For purposes of paragraph (1), if an election is made not to itemize deductions for any taxable year, the basic standard deduction shall be equal to the amount which is twice the basic standard deduction under section 63(c)(2)(C) for the taxable year.

''(c) TREATMENT OF CREDITS.—Credits shall be determined (and applied against the joint liability of the couple for tax) as if the spouses had filed a joint return.

''(d) TREATMENT AS JOINT RETURN.—Except as otherwise provided in this section or in the regulations prescribed hereunder, for purposes of this title (other than sections 1 and 63(c)) a combined return under this section shall be treated as a joint return.

''(e) REGULATIONS.—The Secretary shall prescribe such regulations as may be necessary or appropriate to carry out this section.''

(b) UNMARRIED RATE MADE APPLICABLE.—So much of subsection (c) of section 1 of such Code as precedes the table is amended to read as follows:

''(c) SEPARATE OR UNMARRIED RETURN RATE.—There is hereby imposed on the taxable income of every individual (other than a married individual (as defined in section 7703) filing a joint return or a separate return, a surviving spouse as defined in section 2(a), or a head of household as defined in section 2(b)) a tax determined in accordance with the following table:''.

(c) CLERICAL AMENDMENT.—The table of sections for subpart B of part II of subchapter A of chapter 61 of such Code is amended by inserting after the item relating to section 6013 the following:

''Sec. 6013A. Combined return with separate rates.''

(d) BUDGET DIRECTIVE.—The members of the conference on the congressional budget resolution for fiscal year 1999 shall provide in the conference report sufficient spending reductions to offset the reduced revenues received by the United States Treasury resulting from the amendments made by this section.

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after the date of the enactment of this Act.

FAIRCLOTH AMENDMENT NO. 3360

(Ordered to lie on the table.)

Mr. FAIRCLOTH (for himself and Mrs. FEINSTEIN) submitted an amendment intended to be proposed by them to the bill, S. 2312, supra; as follows:

At the appropriate place, insert the following:

SEC. .SENSE OF THE SENATE REGARDING THE TAX DEDUCTIBILITY OF BREAST CANCER POSTAGE STAMP.

(a) FINDINGS.—The Senate finds that—

(1) There are 1.8 million women in America today with breast cancer;

(2) Another one million women do not know they have it;

(3) Breast cancer kills 46,000 women a year, and is one of the leading causes of death in women of all ages, and the second leading cause of cancer death in all women, claiming a life every 12 minutes in the United States;

(4) On August 13, 1997, the ''Stamp Out Breast Cancer Act,'' Public Law 105–41, was signed into law, directing the United States Postal Service to establish a special first-class postage stamp, or semi-postal, at a cost not to exceed 25 percent above the regular first-class rate of postage;

(5) Amounts raised by the special breast cancer semi-postal above the regular first-class rate are to be available for breast cancer research, 70 percent of such funds the Postal Service shall pay to the National Institutes of Health and the remainder the Postal Service shall pay to Department of Defense.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that—

(1) the Internal Revenue Service should promulgate such rules and regulations as may be necessary concerning the differential amount above the regular first-class postage rate which is dedicated for breast cancer research, to ensure that purchasers of the breast cancer semi-postal postage stamp may deduct said amounts as a charitable contribution, as defined in Title 26 of the Internal Revenue Code, Section 170.

FAIRCLOTH AMENDMENT NO. 3361

(Ordered to lie on the table.)

Mr. FAIRCLOTH submitted an amendment intended to be proposed by him to the bill, S. 2312, supra; as follows:

At the approriate place, insert the following:

SEC. . RESTRICTION ON THE USE OF THE EXCHANGE STABILIZATION FUND

(a) SHORT TITLE.—This Act may be cited as the ''Accountability for International Bailouts Act of 1997''.

(b) CONGRESSIONAL APPROVAL.—Section 5302 of tile 31, United States Code, is amended by adding at the end the following:

'(e) CONGRESSIONAL APPROVAL.—Notwithstanding any other provision of this section, the Secretary of the Treasury may not make any expenditure or loan, incur any other obligation, or make any guarantee in excess of $250,000,000 through the stabilization fund, for the purpose of engaging in a coordinated international rescue plan for any foreign entity or any government of a foreign country, without the approval of Congress.'.

ABRAHAM (OTHERS) AMENDMENT NO. 3362

(Ordered to lie on the table.)

Mr. ABRAHAM (for himself, Mr. FAIRCLOTH, Mr. SESSIONS, Mr. HUTCHINSON, Mr. DEWINE, Mr. MCCAIN, Mr. BROWNBACK, Mr. ENZI, Mr. HELMS, Mr. COVERDELL, and Mr. ASHCROFT) submitted an amendment intended to be proposed by him to the bill, S. 2312, supra; as follows:

At the appropriate place, insert the following:

SEC. ___. ASSESSMENT OF FEDERAL REGULATIONS AND POLICIES ON FAMILIES.

(a) PURPOSES.—The purposes of this section are to—

(1) require agencies to assess the impact of proposed agency actions on family well-being; and

(2) improve the management of executive branch agencies.

(b) DEFINITIONS.—In this section—

(1) the term ''agency'' has the meaning given the term ''Executive agency'' by section 105 of title 5, United States Code, except such term does not include the General Accounting Office; and

(2) the term ''family'' means—

(A) a group of individuals related by blood, marriage, or adoption who live together as a single household; and

(B) any individual who is not a member of such group, but who is related by blood, marriage, or adoption to a member of such group, and over half of whose support in a calendar year is received from such group.

(c) FAMILY POLICYMAKING ASSESSMENT.—Before implementing policies and regulations that may affect family well-being, each agency shall assess such actions with respect to whether—

(1) the action strengthens or erodes the stability of the family and, particularly, the marital commitment;

(2) the action strengthens or erodes the authority and rights of parents in the education, nurture, and supervision of their children;

(3) the action helps the family perform its functions, or substitutes governmental activity for the function;

(4) the action increases or decreases disposable family income;

(5) the proposed benefits of the action justify the financial impact on the family;

(6) the action may be carried out by State or local government or by the family; and

(7) the action establishes an implicit or explicit policy concerning the relationship between the behavior and personal responsibility of youth, and the norms of society.

(d) GOVERNMENTWIDE FAMILY POLICY COORDINATION AND REVIEW.—

(1) CERTIFICATION AND RATIONALE.—With respect to each proposed policy or regulation that may affect family well-being, the head of each agency shall—

(A) submit a written certification to the Director of the Office of Management and Budget and to Congress that such policy or regulation has been assessed in accordance with this section; and

(B) provide an adequate rationale for implementation of each policy or regulation that may negatively affect family well-being.

(2) OFFICE OF MANAGEMENT AND BUDGET.—The Director of the Office of Management and Budget shall—

(A) ensure that policies and regulations proposed by agencies are implemented consistent with this section; and

(B) compile, index, and submit annually to the Congress the written certifications received pursuant to paragraph (1)(A).

(3) OFFICE OF POLICY DEVELOPMENT.—The Office of Policy Development shall—

(A) assess proposed policies and regulations in accordance with this section;

(B) provide evaluations of policies and regulations that may affect family well-being to the Director of the Office of Management and Budget; and

(C) advise the President on policy and regulatory actions that may be taken to strengthen the institutions of marriage and family in the United States.

(e) ASSESSMENTS UPON REQUEST BY MEMBERS OF CONGRESS.—Upon request by a Member of Congress relating to a proposed policy or regulation, an agency shall conduct an assessment in accordance with subsection (c), and shall provide a certification and rationale in accordance with subsection (d).

(f) JUDICIAL REVIEW.—This section is not intended to create any right or benefit, substantive or procedural, enforceable at law by a party against the United States, its agencies, its officers, or any person.

MACK (AND GRAHAM) AMENDMENT NO. 3363

Mr. CAMPBELL (for Mr. MACK for himself and Mr. GRAHAM) proposed an amendment to the bill, S. 2312, supra; as follows:

At the appropriate place in title IV, insert:

SEC. ___. LAND CONVEYANCE, UNITED STATES NAVAL OBSERVATORY/ALTERNATE TIME SERVICE LABORATORY, FLORIDA.

(a) CONVEYANCE AUTHORIZED.—If the Secretary of the Navy reports to the Administrator of General Services that the property described in subsection (b) is excess property of the Department of the Navy under section 202(b) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 483(b)), and if the Administrator of General Services determines that such property is surplus property under that Act, then the Administrator may convey to the University of Miami, by negotiated sale or negotiated land exchange within one year after the date of the determination by the Administrator, all right, title, and interest of the United States in and to the property.

(b) COVERED PROPERTY.—The property referred to in subsection (a) is real property in Miami-Dade County, Florida, including improvements thereon, comprising the Federal facility known as the United States Naval Observatory/Alternate Time Service Laboratory, consisting of approximately 76 acres. The exact acreage and legal description of the property shall be determined by a survey that is satisfactory to the Administrator.

(c) CONDITION REGARDING USE.—Any conveyance under subsection (a) shall be subject to the condition that during the 10-year period beginning on the date of the conveyance, the University shall use the property, or provide for use of the property, only for—

(1) a research, education, and training facility complementary to longstanding national research missions, subject to such incidental exceptions as may be approved by the Administrator;

(2) research-related purposes other than the use specified in paragraph (1), under an agreement entered into by the Administrator and the University; or

(3) a combination of uses described in paragraph (1) and paragraph (2), respectively.

(d) REVERSION.—If the Administrator determines at any time that the property conveyed under subsection (a) is not being used in accordance with this section, all right, title, and interest in and to the property, including any improvements thereon, shall revert to the United States, and the United States shall have the right of immediate entry thereon.

(e) ADDITIONAL TERMS AND CONDITIONS.—The Administrator may require such additional terms and conditions in connection with the conveyance under subsection (a) as the Administrator considers appropriate to protect the interests of the United States.

JEFFORDS (AND OTHERS) AMENDMENT NO. 3364

Mr. CAMBELL (for Mr. JEFFORDS for himself, Ms. LANDRIEU, Mr. DODD, Mr. KOHL, and Mr. JOHNSON) proposed an

amendment to the bill, S. 2312, supra; as follows:

At the appropriate place, insert the following:

TITLE ____—CHILD CARE IN FEDERAL FACILITIES

SEC. ___1. SHORT TITLE.

This title may be cited as ''Quality Child Care for Federal Employees''.

SEC. ___2. PROVIDING QUALITY CHILD CARE IN FEDERAL FACILITIES.

(a) DEFINITION.—In this section:

(1) ADMINISTRATOR.—The term ''Administrator'' means the Administrator of General Services.

(2) CHILD CARE ACCREDITATION ENTITY.—The term ''child care accreditation entity'' means a nonprofit private organization or public agency that—

(A) is recognized by a State agency or by a national organization that serves as a peer review panel on the standards and procedures of public and private child care or school accrediting bodies; and

(B) accredits a facility to provide child care on the basis of—

(i) an accreditation or credentialing instrument based on peer-validated research;

(ii) compliance with applicable State or local licensing requirements, as appropriate, for the facility;

(iii) outside monitoring of the facility; and

(iv) criteria that provide assurances of—

(I) use of developmentally appropriate health and safety standards at the facility;

(II) use of developmentally appropriate educational activities, as an integral part of the child care program carried out at the facility; and

(III) use of ongoing staff development or training activities for the staff of the facility, including related skills-based testing.

(3) ENTITY SPONSORING A CHILD CARE FACILITY.—The term ''entity sponsoring a child care facility'' means a Federal agency that operates, or an entity that enters into a contract or licensing agreement with a Federal agency to operate, a child care facility primarily for the use of Federal employees.

(4) EXECUTIVE AGENCY.—The term ''Executive agency'' has the meaning given the term in section 105 of title 5, United States Code, except that the term—

(A) does not include the Department of Defense and the Coast Guard; and

(B) includes the General Services Administration, with respect to the administration of a facility described in paragraph (5)(B).

(5) EXECUTIVE FACILITY.—The term ''executive facility''—

(A) means a facility that is owned or leased by an Executive agency; and

(B) includes a facility that is owned or leased by the General Services Administration on behalf of a judicial office.

(6) FEDERAL AGENCY.—The term ''Federal agency'' means an Executive agency or a legislative office.

(7) JUDICIAL OFFICE.—The term ''judicial office'' means an entity of the judicial branch of the Federal Government.

(8) LEGISLATIVE FACILITY.—The term ''legislative facility'' means a facility that is owned or leased by a legislative office.

(9) LEGISLATIVE OFFICE.—The term ''legislative office'' means an entity of the legislative branch of the Federal Government.

(10) STATE.—The term ''State'' has the meaning given the term in section 658P of the Child Care and Development Block Grant Act (42 U.S.C. 9858n).

(b) EXECUTIVE BRANCH STANDARDS AND COMPLIANCE.—

(1) STATE AND LOCAL LICENSING REQUIREMENTS.—

(A) IN GENERAL.—Any entity sponsoring a child care facility in an executive facility shall—

(i) comply with child care standards described in paragraph (2) that, at a minimum, include applicable State or local licensing requirements, as appropriate, related to the provision of child care in the State or locality involved; or

(ii) obtain the applicable State or local licenses, as appropriate, for the facility.

(B) COMPLIANCE.—Not later than 6 months after the date of enactment of this Act—

(i) the entity shall comply, or make substantial progress (as determined by the Administrator) toward complying, with subparagraph (A); and

(ii) any contract or licensing agreement used by an Executive agency for the provision of child care services in such child care facility shall include a condition that the child care be provided by an entity that complies with the standards described in subparagraph (A)(i) or obtains the licenses described in subparagraph (A)(ii).

(2) HEALTH, SAFETY, AND FACILITY STANDARDS.—The Administrator shall by regulation establish standards relating to health, safety, facilities, facility design, and other aspects of child care that the Administrator determines to be appropriate for child care in executive facilities, and require child care services in executive facilities to comply with the standards. Such standards shall include requirements that child care facilities be inspected for, and be free of, lead hazards.

(3) ACCREDITATION STANDARDS.—

(A) IN GENERAL.—The Administrator shall issue regulations requiring, to the maximum extent possible, any entity sponsoring an eligible child care facility (as defined by the Administrator) in an executive facility to comply with standards of a child care accreditation entity.

(B) COMPLIANCE.—The regulations shall require that, not later than 5 years after the date of enactment of this Act—

(i) the entity shall comply, or make substantial progress (as determined by the Administrator) toward complying, with the standards; and

(ii) any contract or licensing agreement used by an Executive agency for the provision of child care services in such child care facility shall include a condition that the child care be provided by an entity that complies with the standards.

(4) EVALUATION AND COMPLIANCE.—

(A) IN GENERAL.—The Administrator shall evaluate the compliance, with the requirements of paragraph (1) and the regulations issued pursuant to paragraphs (2) and (3), as appropriate, of child care facilities, and entities sponsoring child care facilities, in executive facilities. The Administrator may conduct the evaluation of such a child care facility or entity directly, or through an agreement with another Federal agency or private entity, other than the Federal agency for which the child care facility is providing services. If the Administrator determines, on the basis of such an evaluation, that the child care facility or entity is not in compliance with the requirements, the Administrator shall notify the Executive agency.

(B) EFFECT OF NONCOMPLIANCE.—On receipt of the notification of noncompliance issued by the Administrator, the head of the Executive agency shall—

(i) if the entity operating the child care facility is the agency—

(I) not later than 2 business days after the date of receipt of the notification, correct any deficiencies that are determined by the Administrator to be life threatening or to present a risk of serious bodily harm;

(II) develop and provide to the Administrator a plan to correct any other deficiencies in the operation of the facility and bring the facility and entity into compliance with the requirements not later than 4 months after the date of receipt of the notification;

(III) provide the parents of the children receiving child care services at the child care facility and employees of the facility with a notification detailing the deficiencies described in subclauses (I) and (II) and actions that will be taken to correct the deficiencies, and post a copy of the notification in a conspicuous place in the facility for 5 working days or until the deficiencies are corrected, whichever is later;

(IV) bring the child care facility and entity into compliance with the requirements and certify to the Administrator that the facility and entity are in compliance, based on an onsite evaluation of the facility conducted by an independent entity with expertise in child care health and safety; and

(V) in the event that deficiencies determined by the Administrator to be life threatening or to present a risk of serious bodily harm cannot be corrected within 2 business days after the date of receipt of the notification, close the child care facility, or the affected portion of the facility, until such deficiencies are corrected and notify the Administrator of such closure; and

(ii) if the entity operating the child care facility is a contractor or licensee of the Executive agency—

(I) require the contractor or licensee, not later than 2 business days after the date of receipt of the notification, to correct any deficiencies that are determined by the Administrator to be life threatening or to present a risk of serious bodily harm;

(II) require the contractor or licensee to develop and provide to the head of the agency a plan to correct any other deficiencies in the operation of the child care facility and bring the facility and entity into compliance with the requirements not later than 4 months after the date of receipt of the notification;

(III) require the contractor or licensee to provide the parents of the children receiving child care services at the child care facility and employees of the facility with a notification detailing the deficiencies described in subclauses (I) and (II) and actions that will be taken to correct the deficiencies, and to post a copy of the notification in a conspicuous place in the facility for 5 working days or until the deficiencies are corrected, whichever is later;

(IV) require the contractor or licensee to bring the child care facility and entity into compliance with the requirements and certify to the head of the agency that the facility and entity are in compliance, based on an onsite evaluation of the facility conducted by an independent entity with expertise in child care health and safety; and

(V) in the event that deficiencies determined by the Administrator to be life threatening or to present a risk of serious bodily harm cannot be corrected within 2 business days after the date of receipt of the notification, close the child care facility, or the affected portion of the facility, until such deficiencies are corrected and notify the Administrator of such closure, which closure may be grounds for the immediate termination or suspension of the contract or license of the contractor or licensee.

(C) COST REIMBURSEMENT.—The Executive agency shall reimburse the Administrator for the costs of carrying out subparagraph (A) for child care facilities located in an executive facility other than an executive facility of the General Services Administration. If an entity is sponsoring a child care facility for 2 or more Executive agencies, the

Administrator shall allocate the costs of providing such reimbursement with respect to the entity among the agencies in a fair and equitable manner, based on the extent to which each agency is eligible to place children in the facility.

(5) DISCLOSURE OF PRIOR VIOLATIONS TO PARENTS AND FACILITY EMPLOYEES.—The Administrator shall issue regulations that require that each entity sponsoring a child care facility in an Executive facility, upon receipt by the child care facility or the entity (as applicable) of a request by any individual who is a parent of any child enrolled at the facility, a parent of a child for whom an application has been submitted to enroll at the facility, or an employee of the facility, shall provide to the individual—

(A) copies of all notifications of deficiencies that have been provided in the past with respect to the facility under clause (i)(III) or (ii)(III), as applicable, of paragraph (4)(B); and

(B) a description of the actions that were taken to correct the deficiencies.

(c) LEGISLATIVE BRANCH STANDARDS AND COMPLIANCE.—

(1) STATE AND LOCAL LICENSING REQUIREMENTS, HEALTH, SAFETY, AND FACILITY STANDARDS, AND ACCREDITATION STANDARDS.—

(A) IN GENERAL.—The Chief Administrative Officer of the House of Representatives shall issue regulations, approved by the Committee on House Oversight of the House of Representatives, governing the operation of the House of Representatives Child Care Center. The Librarian of Congress shall issue regulations, approved by the appropriate House and Senate committees with jurisdiction over the Library of Congress, governing the operation of the child care center located at the Library of Congress. Subject to paragraph (3), the head of a designated entity in the Senate shall issue regulations, approved by the Committee on Rules and Administration of the Senate, governing the operation of the Senate Employees' Child Care Center.

(B) STRINGENCY.—The regulations described in subparagraph (A) shall be no less stringent in content and effect than the requirements of subsection (b)(1) and the regulations issued by the Administrator under paragraphs (2) and (3) of subsection (b), except to the extent that appropriate administrative officers, with the approval of the appropriate House or Senate committees with oversight responsibility for the centers, may jointly or independently determine, for good cause shown and stated together with the regulations, that a modification of such regulations would be more effective for the implementation of the requirements and standards described in paragraphs (1), (2), and (3) of subsection (b) for child care facilities, and entities sponsoring child care facilities, in the corresponding legislative facilities.

(2) EVALUATION AND COMPLIANCE.—

(A) ADMINISTRATION.—Subject to paragraph (3), the Chief Administrative Officer of the House of Representatives, the head of the designated Senate entity, and the Librarian of Congress, shall have the same authorities and duties—

(i) with respect to the evaluation of, compliance of, and cost reimbursement for child care facilities, and entities sponsoring child care facilities, in the corresponding legislative facilities as the Administrator has under subsection (b)(4) with respect to the evaluation of, compliance of, and cost reimbursement for such facilities and entities sponsoring such facilities, in executive facilities; and

(ii) with respect to issuing regulations requiring the entities sponsoring child care facilities in the corresponding legislative facilities to provide notifications of deficiencies and descriptions of corrective actions as the Administration has under subsection (b)(5) with respect to issuing regulations requiring the entities sponsoring child care facilities in executive facilities to provide notifications of deficiencies and descriptions of corrective actions.

(B) ENFORCEMENT.—Subject to paragraph (3), the Committee on House Oversight of the House of Representatives and the Committee on Rules and Administration of the Senate, as appropriate, shall have the same authorities and duties with respect to the compliance of and cost reimbursement for child care facilities, and entities sponsoring child care facilities, in the corresponding legislative facilities as the head of an Executive agency has under subsection (b)(4) with respect to the compliance of and cost reimbursement for such facilities and entities sponsoring such facilities, in executive facilities.

(3) INTERIM STATUS.—Until such time as the Committee on Rules and Administration of the Senate establishes, or the head of the designated Senate entity establishes, standards described in paragraphs (1), (2), and (3) of subsection (b) governing the operation of the Senate Employees' Child Care Center, such facility shall maintain current accreditation status.

(d) APPLICATION.—Notwithstanding any other provision of this section, if 8 or more child care facilities are sponsored in facilities owned or leased by an Executive agency, the Administrator shall delegate to the head of the agency the evaluation and compliance responsibilities assigned to the Administrator under subsection (b)(4)(A).

(e) TECHNICAL ASSISTANCE, STUDIES, AND REVIEWS.—The Administrator may provide technical assistance, and conduct and provide the results of studies and reviews, for Executive agencies, and entities sponsoring child care facilities in executive facilities, on a reimbursable basis, in order to assist the entities in complying with this section. The Chief Administrative Officer of the House of Representatives, the Librarian of Congress, and the head of the designated Senate entity described in subsection (c), may provide technical assistance, and conduct and provide the results of studies and reviews, or request that the Administrator provide technical assistance, and conduct and provide the results of studies and reviews, for the corresponding legislative offices, and entities operating child care facilities in the corresponding legislative facilities, on a reimbursable basis, in order to assist the entities in complying with this section.

(f) COUNCIL.—The Administrator shall establish an interagency council, comprised of representatives of all Executive agencies described in subsection (d), a representative of the Chief Administrative Officer of the House of Representatives, a representative of the designated Senate entity described in subsection (c), and a representative of the Librarian of Congress, to facilitate cooperation and sharing of best practices, and to develop and coordinate policy, regarding the provision of child care, including the provision of areas for nursing mothers and other lactation support facilities and services, in the Federal Government.

(g) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $900,000 for fiscal year 1999 and such sums as may be necessary for each subsequent fiscal year.

SEC. ___3. CHILD CARE SERVICES FOR FEDERAL EMPLOYEES.

(a) IN GENERAL.—An Executive agency that provides or proposes to provide child care services for Federal employees may use agency funds to provide the child care services, in a facility that is owned or leased by an Executive agency, or through a contractor, for civilian employees of such agency.

(b) AFFORDABILITY.—Funds so used with respect to any such facility or contractor shall be applied to improve the affordability of child care for lower income Federal employees using or seeking to use the child care services offered by such facility or contractor.

(c) REGULATIONS.—The Director of the Office of Personnel Management shall, within 180 days after the date of enactment of this Act, issue regulations necessary to carry out this section.

(d) DEFINITION.—For purposes of this section, the term ''Executive agency'' has the meaning given such term by section 105 of title 5, United States Code, but does not include the General Accounting Office.

SEC. ___4. MISCELLANEOUS PROVISIONS RELATING TO CHILD CARE PROVIDED BY FEDERAL AGENCIES.

(a) AVAILABILITY OF FEDERAL CHILD CARE CENTERS FOR ONSITE CONTRACTORS; PERCENTAGE GOAL.—Section 616(a) of the Act of December 22, 1987 (40 U.S.C. 490b), is amended—

(1) in subsection (a), by striking paragraphs (2) and (3) and inserting the following:

''(2) such officer or agency determines that such space will be used to provide child care and related services to—

''(A) children of Federal employees or onsite Federal contractors; or

''(B) dependent children who live with Federal employees or onsite Federal contractors; and

''(3) such officer or agency determines that such individual or entity will give priority for available child care and related services in such space to Federal employees and onsite Federal contractors.''; and

(2) by adding at the end the following:

''(e)(1)(A) The Administrator of General Services shall confirm that at least 50 percent of aggregate enrollment in Federal child care centers governmentwide are children of Federal employees or onsite Federal contractors, or dependent children who live with Federal employees or onsite Federal contractors.

''(B) Each provider of child care services at an individual Federal child care center shall maintain 50 percent of the enrollment at the center of children described under subparagraph (A) as a goal for enrollment at the center.

''(C) If enrollment at a center does not meet the percentage goal under subparagraph (B), the provider shall develop and implement a business plan with the sponsoring Federal agency to achieve the goal within a reasonable timeframe. Such plan shall be approved by the Administrator of General Services based on—

''(i) compliance of the plan with standards established by the Administrator; and

''(ii) the effect of the plan on achieving the aggregate Federal enrollment percentage goal.

''(2) The Administrator of General Services Administration may enter into public-private partnerships or contracts with nongovernmental entities to increase the capacity, quality, affordability, or range of child care and related services and may, on a demonstration basis, waive subsection (a)(3) and paragraph (1) of this subsection.''.

(b) PAYMENT OF COSTS OF TRAINING PROGRAMS.—Section 616(b)(3) of such Act (40 U.S.C. 490(b)(3)) is amended to read as follows:

''(3) If an agency has a child care facility in its space, or is a sponsoring agency for a child care facility in other Federal or leased space, the agency or the General Services Administration may pay accreditation fees, including renewal fees, for that center to be

accredited. Any agency, department, or instrumentality of the United States that provides or proposes to provide child care services for children referred to in subsection (a)(2), may reimburse any Federal employee or any person employed to provide such services for the costs of training programs, conferences, and meetings and related travel, transportation, and subsistence expenses incurred in connection with those activities. Any per diem allowance made under this section shall not exceed the rate specified in regulations prescribed under section 5707 of title 5, United States Code.''.

(c) PROVISION OF CHILD CARE BY PRIVATE ENTITIES.—Section 616(d) of such Act (40 U.S.C. 490b(d)) is amended to read as follows:

''(d)(1) If a Federal agency has a child care facility in its space, or is a sponsoring agency for a child care facility in other Federal or leased space, the agency, the child care center board of directors, or the General Services Administration may enter into an agreement with 1 or more private entities under which such private entities would assist in defraying the general operating expenses of the child care providers including salaries and tuition assistance programs at the facility.

''(2)(A) Notwithstanding any other provision of law, if a Federal agency does not have a child care program, or if the Administrator of General Services has identified a need for child care for Federal employees at an agency providing child care services that do not meet the requirements of subsection (a), the agency or the Administrator may enter into an agreement with a non-Federal, licensed, and accredited child care facility, or a planned child care facility that will become licensed and accredited, for the provision of child care services for children of Federal employees.

''(B) Before entering into an agreement, the head of the Federal agency shall determine that child care services to be provided through the agreement are more cost effectively provided through such arrangement than through establishment of a Federal child care facility.

''(C) The agency may provide any of the services described in subsection (b)(3) if, in exchange for such services, the facility reserves child care spaces for children referred to in subsection (a)(2), as agreed to by the parties. The cost of any such services provided by an agency to a child care facility on behalf of another agency shall be reimbursed by the receiving agency.

''(3) This subsection does not apply to residential child care programs.''.

(d) PILOT PROJECTS.—Section 616 of such Act (40 U.S.C. 490b) is further amended by adding at the end the following:

''(f)(1) Upon approval of the agency head, an agency may conduct a pilot project not otherwise authorized by law for no more than 2 years to test innovative approaches to providing alternative forms of quality child care assistance for Federal employees. An agency head may extend a pilot project for an additional 2-year period. Before any pilot project may be implemented, a determination shall be made by the agency head that initiating the pilot project would be more cost-effective than establishing a new child care facility. Costs of any pilot project shall be borne solely by the agency conducting the pilot project.

''(2) The Administrator of General Services shall serve as an information clearinghouse for pilot projects initiated by other agencies to disseminate information concerning the pilot projects to the other agencies.

''(3) Within 6 months after completion of the initial 2-year pilot project period, an agency conducting a pilot project under this subsection shall provide for an evaluation of the impact of the project on the delivery of child care services to Federal employees, and shall submit the results of the evaluation to the Administrator of General Services. The Administrator shall share the results with other Federal agencies.''.

(e) BACKGROUND CHECK.—Section 616 of such Act (40 U.S.C. 490b) is further amended by adding at the end the following:

''(g) Each child care center located in a federally owned or leased facility shall ensure that each employee of such center (including any employee whose employment began before the date of enactment of this subsection) shall undergo a criminal history background check consistent with section 3 of the National Child Protection Act of 1993 (42 U.S.C. 5119a).''.

SEC. ___5. REQUIREMENT TO PROVIDE LACTATION SUPPORT IN NEW FEDERAL CHILD CARE FACILITIES.

(a) DEFINITIONS.—In this section, the terms ''Federal agency'', ''executive facility'', and ''legislative facility'' have the meanings given the terms in section ___2.

(b) LACTATION SUPPORT.—The head of each Federal agency shall require that each child care facility in an executive facility or a legislative facility that is first operated after the 1-year period beginning on the date of enactment of this Act by the Federal agency, or under a contract or licensing agreement with the Federal agency, shall provide reasonable accommodations for the needs of breast-fed infants and their mothers, including providing a lactation area or a room for nursing mothers in part of the operating plan for the facility.

DASCHLE AMENDMENT NO. 3365

Mr. DASCHLE proposed an amendment to the bill, S. 2312, supra; as follows:

At the appropriate place, insert the following:

SEC. ___. DEDUCTION FOR TWO-EARNER MARRIED COUPLES.

(a) IN GENERAL.—Part VII of subchapter B of chapter 1 of the Internal Revenue Code of 1986 (relating to additional itemized deductions for individuals) is amended by redesignating section 222 as section 223 and by inserting after section 221 the following new section:

''SEC. 222. DEDUCTION FOR MARRIED COUPLES TO ELIMINATE THE MARRIAGE PENALTY.

''(a) IN GENERAL.—In the case of a joint return under section 6013 for the taxable year, there shall be allowed as a deduction an amount equal to the applicable percentage of the qualified earned income of the spouse with the lower qualified earned income for the taxable year.

''(b) APPLICABLE PERCENTAGE.—For purposes of this section—

''(1) IN GENERAL.—The term 'applicable percentage' means 20 percent, reduced by 2 percentage points for each $1,000 (or fraction thereof) by which the taxpayer's modified adjusted gross income for the taxable year exceeds $50,000.

''(2) TRANSITION RULE FOR 1999 AND 2000.—In the case of taxable years beginning in 1999 and 2000, paragraph (1) shall be applied by substituting '10 percent' for '20 percent' and '1 percentage point' for '2 percentage points'.

''(3) MODIFIED ADJUSTED GROSS INCOME.—For purposes of this subsection, the term 'modified adjusted gross income' means adjusted gross income determined—

''(A) after application of sections 86, 219, and 469, and

''(B) without regard to sections 135, 137, and 911 or the deduction allowable under this section.

''(4) COST-OF-LIVING ADJUSTMENT.—In the case of any taxable year beginning in a calendar year after 2002, the $50,000 amount under paragraph (1) shall be increased by an amount equal to such dollar amount multiplied by the cost-of-living adjustment determined under section 1(f)(3) for the calendar year in which the taxable year begins, except that subparagraph (B) thereof shall be applied by substituting 'calendar year 2002' for 'calendar year 1992'. If any amount as adjusted under this paragraph is not a multiple of $2,000, such amount shall be rounded to the next lowest multiple of $2,000.

''(c) QUALIFIED EARNED INCOME DEFINED.—

''(1) IN GENERAL.—For purposes of this section, the term 'qualified earned income' means an amount equal to the excess of—

''(A) the earned income of the spouse for the taxable year, over

''(B) an amount equal to the sum of the deductions described in paragraphs (1), (2), (7), and (15) of section 62 to the extent such deductions are properly allocable to or chargeable against earned income described in subparagraph (A).

The amount of qualified earned income shall be determined without regard to any community property laws.''

''(2) EARNED INCOME.—For purposes of paragraph (1), the term 'earned income' means income which is earned income within the meaning of section 911(d)(2) or 401(c)(2)(C), except that—

''(A) such term shall not include any amount—

''(i) not includible in gross income,

''(ii) received as a pension or annuity,

''(iii) paid or distributed out of an individual retirement plan (within the meaning of section 7701(a)(37)),

''(iv) received as deferred compensation, or

''(v) received for services performed by an individual in the employ of his spouse (within the meaning of section 3121(b)(3)(A)), and

''(B) section 911(d)(2)(B) shall be applied without regard to the phrase 'not in excess of 30 percent of his share of net profits of such trade or business'.''

(b) DEDUCTION TO BE ABOVE-THE-LINE.—Section 62(a) of the Internal Revenue Code of 1986 (defining adjusted gross income) is amended by adding after paragraph (17) the following new paragraph:

''(18) DEDUCTION FOR TWO-EARNER MARRIED COUPLES.—The deduction allowed by section 222.''

(c) EARNED INCOME CREDIT PHASEOUT TO REFLECT DEDUCTION.—Section 32(c)(2) of the Internal Revenue Code of 1986 (defining earned income) is amended by adding at the end the following new subparagraph:

''(C) MARRIAGE PENALTY REDUCTION.—Solely for purposes of applying subsection (a)(2)(B), earned income for any taxable year shall be reduced by an amount equal to the amount of the deduction allowed to the taxpayer for such taxable year under section 222.''

(d) CLERICAL AMENDMENT.—The table of sections for part VII of subchapter B of chapter 1 of such Code is amended by striking the item relating to section 222 and inserting the following new items:

''Sec. 222. Deduction for married couples to eliminate the marriage penalty.

''Sec. 223. Cross reference.''

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1998.

SEC. ___. MODIFICATION TO FOREIGN TAX CREDIT CARRYBACK AND CARRYOVER PERIODS.

(a) IN GENERAL.—Section 904(c) of the Internal Revenue Code of 1986 (relating to limitation on credit) is amended—

(1) by striking ''in the second preceding taxable year,'', and

(2) by striking ''or fifth'' and inserting ''fifth, sixth, or seventh''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to credits arising in taxable years beginning after December 31, 1998.

SEC. ___. LIMITATION ON REQUIRED ACCRUAL OF AMOUNTS RECEIVED FOR PERFORMANCE OF CERTAIN PERSONAL SERVICES.

(a) IN GENERAL.—Paragraph (5) of section 448(d) of the Internal Revenue Code of 1986 (relating to special rule for services) is amended by inserting ''in fields referred to in paragraph (2)(A)'' after ''services by such person''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to taxable years beginning after December 31, 1998.

(c) COORDINATION WITH SECTION 481.—In the case of any taxpayer required by this section to change its method of accounting for any taxable year—

(1) such change shall be treated as initiated by the taxpayer;

(2) such change shall be treated as made with the consent of the Secretary of the Treasury; and

(3) the period for taking into account the adjustments under section 481 by reason of such change shall be 3 years.

SEC. ___. EXCISE TAX ON PURCHASE OF STRUCTURED SETTLEMENT AGREEMENTS.

(a) IN GENERAL.—Subtitle D of the Internal Revenue Code of 1986 (relating to miscellaneous excise taxes) is amended by adding at the end the following:

''CHAPTER 48—STRUCTURED SETTLEMENT AGREEMENTS

''Sec. 5000A. Tax on purchases of structured settlement agreements.

''SEC. 5000A. TAX ON PURCHASES OF STRUCTURED SETTLEMENT AGREEMENTS.

''(a) IMPOSITION OF TAX.—There is hereby imposed on any person who purchases the right to receive payments under a structured settlement agreement a tax equal to 10 percent of the amount of the purchase price.

''(b) EXCEPTION FOR COURT-ORDERED PURCHASES.—Subsection (a) shall not apply to any purchase which is pursuant to a court order which finds that such purchase is necessary because of the extraordinary and unanticipated needs of the individual with the personal injuries or sickness giving rise to the structured settlement agreement.

''(c) STRUCTURED SETTLEMENT AGREEMENT.—For purposes of this section, the term 'structured settlement agreement' means—

''(1) any right to receive (whether by suit or agreement) periodic payments as damages on account of personal injuries or sickness, or

''(2) any right to receive periodic payments as compensation for personal injuries or sickness under any workmen's compensation act.

''(d) PURCHASE.—For purposes of this section, the term 'purchase' has the meaning given such term by section 179(d)(2).''

(b) CONFORMING AMENDMENT.—The table of chapters for subtitle D of the Internal Revenue Code of 1986 is amended by adding at the end the following:

''CHAPTER 48. Structured settlement agreements.''

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to purchases after December 31, 1998.

SEC. ___. PROPERTY SUBJECT TO A LIABILITY TREATED IN SAME MANNER AS ASSUMPTION OF LIABILITY.

(a) REPEAL OF PROPERTY SUBJECT TO A LIABILITY TEST.—

(1) SECTION 357.—Section 357(a) of the Internal Revenue Code of 1986 (relating to assumption of liability) is amended by striking '', or acquires from the taxpayer property subject to a liability'' in paragraph (2).

(2) SECTION 358.—Section 358(d)(1) of such Code (relating to assumption of liability) is amended by striking ''or acquired from the taxpayer property subject to a liability''.

(3) SECTION 368.—

(A) Section 368(a)(1)(C) of such Code is amended by striking '', or the fact that property acquired is subject to a liability,''.

(B) The last sentence of section 368(a)(2)(B) of such Code is amended by striking '', and the amount of any liability to which any property acquired from the acquiring corporation is subject,''.

(b) CLARIFICATION OF ASSUMPTION OF LIABILITY.—

(1) IN GENERAL.—Section 357 of such Code is amended by adding at the end the following new subsections:

''(d) DETERMINATION OF AMOUNT OF LIABILITY ASSUMED.—

''(1) IN GENERAL.—For purposes of this section, section 358(d), section 362(d), section 368(a)(1)(C), and section 368(a)(2)(B), except as provided in regulations—

''(A) a recourse liability (or portion thereof) shall be treated as having been assumed if, as determined on the basis of all facts and circumstances, the transferee has agreed to, and is expected to, satisfy such liability (or portion), whether or not the transferor has been relieved of such liability; and

''(B) a nonrecourse liability shall be treated as having been assumed by the transferee of any asset subject to such liability.

''(2) REGULATIONS.—The Secretary shall prescribe such regulations as may be necessary to carry out the purposes of this subsection and section 362(d). The Secretary may also prescribe regulations which provide that the manner in which a liability is treated as assumed under this subsection is applied, where appropriate, elsewhere in this title.''.

(2) LIMITATION ON BASIS INCREASE ATTRIBUTABLE TO ASSUMPTION OF LIABILITY.—Section 362 of such Code is amended by adding at the end the following new subsection:

''(d) LIMITATION ON BASIS INCREASE ATTRIBUTABLE TO ASSUMPTION OF LIABILITY.—

''(1) IN GENERAL.—In no event shall the basis of any property be increased under subsection (a) or (b) above fair market value (determined without regard to section 7701(g)) by reason of any gain recognized to the transferor as a result of the assumption of a liability.

''(2) TREATMENT OF GAIN NOT SUBJECT TO TAX.—Except as provided in regulations, if—

''(A) gain is recognized to the transferor as a result of an assumption of a nonrecourse liability by a transferee which is also secured by assets not transferred to such transferee; and

''(B) no person is subject to tax under this title on such gain,

then, for purposes of determining basis under subsections (a) and (b), the amount of gain recognized by the transferor as a result of the assumption of the liability shall be determined as if the liability assumed by the transferee equaled such transferee's ratable portion of such liability determined on the basis of the relative fair market values (determined without regard to section 7701(g)) of all of the assets subject to such liability.''.

(c) APPLICATION TO PROVISIONS OTHER THAN SUBCHAPTER C.—

(1) SECTION 584.—Section 584(h)(3) of such Code is amended—

(A) by striking '', and the fact that any property transferred by the common trust fund is subject to a liability,'' in subparagraph (A); and

(B) by striking clause (ii) of subparagraph (B) and inserting:

''(ii) ASSUMED LIABILITIES.—For purposes of clause (i), the term 'assumed liabilities' means any liability of the common trust fund assumed by any regulated investment company in connection with the transfer referred to in paragraph (1)(A).

''(C) ASSUMPTION.—For purposes of this paragraph, in determining the amount of any liability assumed, the rules of section 357(d) shall apply.''.

(2) SECTION 1031.—The last sentence of section 1031(d) of such Code is amended—

(A) by striking ''assumed a liability of the taxpayer or acquired from the taxpayer property subject to a liability'' and inserting ''assumed (as determined under section 357(d)) a liability of the taxpayer''; and

(B) by striking ''or acquisition (in the amount of the liability)''.

(d) CONFORMING AMENDMENTS.—

(1) Section 351(h)(1) of such Code is amended by striking '', or acquires property subject to a liability,''.

(2) Section 357 of such Code is amended by striking ''or acquisition'' each place it appears in subsection (a) or (b).

(3) Section 357(b)(1) of such Code is amended by striking ''or acquired''.

(4) Section 357(c)(1) of such Code is amended by striking '', plus the amount of the liabilities to which the property is subject,''.

(5) Section 357(c)(3) of such Code is amended by striking ''or to which the property transferred is subject''.

(6) Section 358(d)(1) of such Code is amended by striking ''or acquisition (in the amount of the liability)''.

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to transfers after December 31, 1998.

SEC. ___. CLARIFICATION AND EXPANSION OF MATHEMATICAL ERROR ASSESSMENT PROCEDURES.

(a) TIN DEEMED INCORRECT IF INFORMATION ON RETURN DIFFERS WITH AGENCY RECORDS.—Section 6213(g)(2) of the Internal Revenue Code of 1986 (defining mathematical or clerical error) is amended by adding at the end the following flush sentence:

''A taxpayer shall be treated as having omitted a correct TIN for purposes of the preceding sentence if information provided by the taxpayer on the return with respect to the individual whose TIN was provided differs from the information the Secretary obtains from the person issuing the TIN.''

(b) EXPANSION OF MATHEMATICAL ERROR PROCEDURES TO CASES WHERE TIN ESTABLISHES INDIVIDUAL NOT ELIGIBLE FOR TAX CREDIT.—Section 6213(g)(2) of the Internal Revenue Code of 1986 is amended by striking ''and'' at the end of subparagraph (J), by striking the period at the end of the subparagraph (K) and inserting '', and'', and by adding at the end the following new subparagraph:

''(L) the inclusion on a return of a TIN required to be included on the return under section 21, 24, or 32 if—

''(i) such TIN is of an individual whose age affects the amount of the credit under such section, and

''(ii) the computation of the credit on the return reflects the treatment of such individual as being of an age different from the individual's age based on such TIN.''

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1998.

SEC. ___. EXTENSION OF HAZARDOUS SUBSTANCE SUPERFUND TAXES.

(a) EXTENSION OF TAXES.—

(1) ENVIRONMENTAL TAX.—Section 59A(e) of the Internal Revenue Code of 1986 is amended to read as follows:

''(e) APPLICATION OF TAX.—The tax imposed by this section shall apply to taxable years

beginning after December 31, 1986, and before January 1, 1996, and to taxable years beginning after December 31, 1998, and before January 1, 2009.''

(2) EXCISE TAXES.—Section 4611(e) of such Code is amended to read as follows:

''(e) APPLICATION OF HAZARDOUS SUBSTANCE SUPERFUND FINANCING RATE.—The Hazardous Substance Superfund financing rate under this section shall apply after December 31, 1986, and before January 1, 1996, and after December 31, 1998, and before October 1, 2008.''

(b) EFFECTIVE DATES.—

(1) INCOME TAX.—The amendment made by subsection (a)(1) shall apply to taxable years beginning after December 31, 1998.

(2) EXCISE TAX.—The amendment made by subsection (a)(2) shall take effect on January 1, 1999.

SEC. ___. TREATMENT OF CERTAIN DEDUCTIBLE LIQUIDATING DISTRIBUTIONS OF REGULATED INVESTMENT COMPANIES AND REAL ESTATE INVESTMENT TRUSTS.

(a) IN GENERAL.—Section 332 of the Internal Revenue Code of 1986 (relating to complete liquidations of subsidiaries) is amended by adding at the end the following new subsection:

''(c) DEDUCTIBLE LIQUIDATING DISTRIBUTIONS OF REGULATED INVESTMENT COMPANIES AND REAL ESTATE INVESTMENT TRUSTS.—If a corporation receives a distribution from a regulated investment company or a real estate investment trust which is considered under subsection (b) as being in complete liquidation of such company or trust, then, notwithstanding any other provision of this chapter, such corporation shall recognize and treat as a dividend from such company or trust an amount equal to the deduction for dividends paid allowable to such company or trust by reason of such distribution.''.

(b) CONFORMING AMENDMENTS.—

(1) The material preceding paragraph (1) of section 332(b) of such Code is amended by striking ''subsection (a)'' and inserting ''this section''.

(2) Paragraph (1) of section 334(b) of such Code is amended by striking ''section 332(a)'' and inserting ''section 332''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to distributions after December 31, 2002.

INHOFE AMENDMENT NO. 3366

Mr. INHOFE proposed an amendment to the bill, S. 2312, supra; as follows:

On page 82, line 16, after the end period insert: ''This subsection shall not apply unless the Joint Chiefs of Staff and the unified combatant commanders certify in writing to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives that the signing of the Convention is consistent with the combat requirements and safety of the armed forces of the United States.''.

HATCH (AND BIDEN) AMENDMENT NO. 3367

Mr. HATCH (for himself and Mr. BIDEN) proposed an amendment to the bill, S. 2312, supra; as follows:

At the end of the bill, add the following:

TITLE VII—OFFICE OF NATIONAL DRUG CONTROL POLICY REAUTHORIZATION

SEC. 701. SHORT TITLE.

This title may be cited as the ''Office of National Drug Control Policy Reauthorization Act of 1998''.

SEC. 702. DEFINITIONS.

In this title:

(1) DEMAND REDUCTION.—The term ''demand reduction'' means any activity conducted by a National Drug Control Program agency, other than an enforcement activity, that is intended to reduce the use of drugs, including—

(A) drug abuse education;

(B) drug abuse prevention;

(C) drug abuse treatment;

(D) drug abuse research;

(E) drug abuse rehabilitation;

(F) drug-free workplace programs; and

(G) drug testing.

(2) DIRECTOR.—The term ''Director'' means the Director of National Drug Control Policy.

(3) DRUG.—The term ''drug'' has the meaning given the term ''controlled substance'' in section 102(6) of the Controlled Substances Act (21 U.S.C. 802(6)).

(4) DRUG CONTROL.—The term ''drug control'' means any activity conducted by a National Drug Control Program agency involving supply reduction or demand reduction, including any activity to reduce the use of tobacco or alcoholic beverages by underage individuals.

(5) FUND.—The term ''Fund'' means the fund established under section 703(d).

(6) NATIONAL DRUG CONTROL PROGRAM.—The term ''National Drug Control Program'' means programs, policies, and activities undertaken by National Drug Control Program agencies pursuant to the responsibilities of such agencies under the National Drug Control Strategy.

(7) NATIONAL DRUG CONTROL PROGRAM AGENCY.—The term ''National Drug Control Program agency'' means any department or agency of the Federal Government and all dedicated units thereof, with responsibilities under the National Drug Control Strategy, as designated by the President, or jointly by the Director and the head of the department or agency.

(8) NATIONAL DRUG CONTROL STRATEGY.—The term ''National Drug Control Strategy'' means the strategy developed and submitted to Congress under section 706.

(9) OFFICE.—Unless the context clearly implicates otherwise, the term ''Office'' means the Office of National Drug Control Policy established under section 703(a).

(10) STATE AND LOCAL AFFAIRS.—The term ''State and local affairs'' means domestic activities conducted by a National Drug Control Program agency that are intended to reduce the availability and use of drugs, including—

(A) coordination and facilitation of Federal, State, and local law enforcement drug control efforts;

(B) promotion of coordination and cooperation among the drug supply reduction and demand reduction agencies of the various States, territories, and units of local government; and

(C) such other cooperative governmental activities which promote a comprehensive approach to drug control at the national, State, territory, and local levels.

(11) SUPPLY REDUCTION.—The term ''supply reduction'' means any activity of a program conducted by a National Drug Control Program agency that is intended to reduce the availability or use of drugs in the United States and abroad, including—

(A) international drug control;

(B) foreign and domestic drug intelligence;

(C) interdiction; and

(D) domestic drug law enforcement, including law enforcement directed at drug users.

SEC. 703. OFFICE OF NATIONAL DRUG CONTROL POLICY.

(a) ESTABLISHMENT OF OFFICE.—There is established in the Executive Office of the President an Office of National Drug Control Policy, which shall—

(1) develop national drug control policy;

(2) coordinate and oversee the implementation of that national drug control policy;

(3) assess and certify the adequacy of national drug control programs and the budget for those programs; and

(4) evaluate the effectiveness of the national drug control programs.

(b) DIRECTOR AND DEPUTY DIRECTORS.—

(1) DIRECTOR.—There shall be at the head of the Office a Director of National Drug Control Policy.

(2) DEPUTY DIRECTOR OF NATIONAL DRUG CONTROL POLICY.—There shall be in the Office a Deputy Director of National Drug Control Policy, who shall assist the Director in carrying out the responsibilities of the Director under this title.

(3) OTHER DEPUTY DIRECTORS.—There shall be in the Office—

(A) a Deputy Director for Demand Reduction, who shall be responsible for the activities described in subparagraphs (A) through (G) of section 702(1);

(B) a Deputy Director for Supply Reduction, who shall be responsible for the activities described in subparagraphs (A) through (C) of section 702(11); and

(C) a Deputy Director for State and Local Affairs, who shall be responsible for the activities described in subparagraphs (A) through (C) of section 702(10).

(c) ACCESS BY CONGRESS.—The location of the Office in the Executive Office of the President shall not be construed as affecting access by Congress, or any committee of the House of Representatives or the Senate, to any—

(1) information, document, or study in the possession of, or conducted by or at the direction of the Director; or

(2) personnel of the Office.

(d) OFFICE OF NATIONAL DRUG CONTROL POLICY GIFT FUND.—

(1) ESTABLISHMENT.—There is established in the Treasury of the United States a fund for the receipt of gifts, both real and personal, for the purpose of aiding or facilitating the work of the Office under section 704(c).

(2) CONTRIBUTIONS.—The Office may accept, hold, and administer contributions to the Fund.

(3) USE OF AMOUNTS DEPOSITED.—Amounts deposited in the Fund are authorized to be appropriated, to remain available until expended for authorized purposes at the discretion of the Director.

SEC. 704. APPOINTMENT AND DUTIES OF DIRECTOR AND DEPUTY DIRECTORS.

(a) APPOINTMENT.—

(1) IN GENERAL.—The Director, the Deputy Director of National Drug Control Policy, the Deputy Director for Demand Reduction, the Deputy Director for Supply Reduction, and the Deputy Director for State and Local Affairs, shall each be appointed by the President, by and with the advice and consent of the Senate, and shall serve at the pleasure of the President. In appointing the Deputy Director for Demand Reduction under this paragraph, the President shall take into consideration the scientific, educational or professional background of the individual, and whether the individual has experience in the fields of substance abuse prevention, education, or treatment.

(2) DUTIES OF DEPUTY DIRECTOR OF NATIONAL DRUG CONTROL POLICY.—The Deputy Director of National Drug Control Policy shall—

(A) carry out the duties and powers prescribed by the Director; and

(B) serve as the Director in the absence of the Director or during any period in which the office of the Director is vacant.

(3) DESIGNATION OF OTHER OFFICERS.—In the absence of the Deputy Director, or if the office of the Deputy Director is vacant, the Director shall designate such other permanent employee of the Office to serve as the Director, if the Director is absent or unable to serve.

(4) PROHIBITION.—No person shall serve as Director or a Deputy Director while serving in any other position in the Federal Government.

(5) PROHIBITION ON POLITICAL CAMPAIGNING.—Any officer or employee of the Office who is appointed to that position by the President, by and with the advice and consent of the Senate, may not participate in Federal election campaign activities, except that such official is not prohibited by this paragraph from making contributions to individual candidates.

(b) RESPONSIBILITIES.—The Director shall—

(1) assist the President in the establishment of policies, goals, objectives, and priorities for the National Drug Control Program;

(2) promulgate the National Drug Control Strategy and each report under section 706(b) in accordance with section 706;

(3) coordinate and oversee the implementation by the National Drug Control Program agencies of the policies, goals, objectives, and priorities established under paragraph (1) and the fulfillment of the responsibilities of such agencies under the National Drug Control Strategy;

(4) make such recommendations to the President as the Director determines are appropriate regarding changes in the organization, management, and budgets of Federal departments and agencies engaged in drug enforcement, and changes in the allocation of personnel to and within those departments and agencies, to implement the policies, goals, priorities, and objectives established under paragraph (1) and the National Drug Control Strategy;

(5) consult with and assist State and local governments with respect to the formulation and implementation of National Drug Control Policy and their relations with the National Drug Control Program agencies;

(6) appear before duly constituted committees and subcommittees of the House of Representatives and of the Senate to represent the drug policies of the executive branch;

(7) notify any National Drug Control Program agency if its policies are not in compliance with the responsibilities of the agency under the National Drug Control Strategy, transmit a copy of each such notification to the President, and maintain a copy of each such notification;

(8) provide, by July 1 of each year, budget recommendations, including requests for specific initiatives that are consistent with the priorities of the President under the National Drug Control Strategy, to the heads of departments and agencies with responsibilities under the National Drug Control Program, which recommendations shall—

(A) apply to next budget year scheduled for formulation under the Budget and Accounting Act of 1921, and each of the 4 subsequent fiscal years; and

(B) address funding priorities developed in the National Drug Control Strategy;

(9) serve as the representative of the President in appearing before Congress on all issues relating to the National Drug Control Program;

(10) in any matter affecting national security interests, work in conjunction with the Assistant to the President for National Security Affairs; and

(11) serve as primary spokesperson of the Administration on drug issues.

(c) NATIONAL DRUG CONTROL PROGRAM BUDGET.—

(1) RESPONSIBILITIES OF NATIONAL DRUG CONTROL PROGRAM AGENCIES.—

(A) IN GENERAL.—For each fiscal year, the head of each department, agency, or program of the Federal Government with responsibilities under the National Drug Control Program Strategy shall transmit to the Director a copy of the proposed drug control budget request of the department, agency, or program at the same time as that budget request is submitted to their superiors (and before submission to the Office of Management and Budget) in the preparation of the budget of the President submitted to Congress under section 1105(a) of title 31, United States Code.

(B) SUBMISSION OF DRUG CONTROL BUDGET REQUESTS.—The head of each National Drug Control Program agency shall ensure timely development and submission to the Director of each proposed drug control budget request transmitted pursuant to this paragraph, in such format as may be designated by the Director with the concurrence of the Director of the Office of Management and Budget.

(2) NATIONAL DRUG CONTROL PROGRAM BUDGET PROPOSAL.—For each fiscal year, following the transmission of proposed drug control budget requests to the Director under paragraph (1), the Director shall, in consultation with the head of each National Drug Control Program agency—

(A) develop a consolidated National Drug Control Program budget proposal designed to implement the National Drug Control Strategy;

(B) submit the consolidated budget proposal to the President; and

(C) after submission under subparagraph (B), submit the consolidated budget proposal to Congress.

(3) REVIEW AND CERTIFICATION OF BUDGET REQUESTS AND BUDGET SUBMISSIONS OF NATIONAL DRUG CONTROL PROGRAM AGENCIES.—

(A) IN GENERAL.—The Director shall review each drug control budget request submitted to the Director under paragraph (1).

(B) REVIEW OF BUDGET REQUESTS.—

(i) INADEQUATE REQUESTS.—If the Director concludes that a budget request submitted under paragraph (1) is inadequate, in whole or in part, to implement the objectives of the National Drug Control Strategy with respect to the department, agency, or program at issue for the year for which the request is submitted, the Director shall submit to the head of the applicable National Drug Control Program agency a written description of funding levels and specific initiatives that would, in the determination of the Director, make the request adequate to implement those objectives.

(ii) ADEQUATE REQUESTS.—If the Director concludes that a budget request submitted under paragraph (1) is adequate to implement the objectives of the National Drug Control Strategy with respect to the department, agency, or program at issue for the year for which the request is submitted, the Director shall submit to the head of the applicable National Drug Control Program agency a written statement confirming the adequacy of the request.

(iii) RECORD.—The Director shall maintain a record of each description submitted under clause (i) and each statement submitted under clause (ii).

(C) AGENCY RESPONSE.—

(i) IN GENERAL.—The head of a National Drug Control Program agency that receives a description under subparagraph (B)(i) shall include the funding levels and initiatives described by the Director in the budget submission for that agency to the Office of Management and Budget.

(ii) IMPACT STATEMENT.—The head of a National Drug Control Program agency that has altered its budget submission under this subparagraph shall include as an appendix to the budget submission for that agency to the Office of Management and Budget an impact statement that summarizes—

(I) the changes made to the budget under this subparagraph; and

(II) the impact of those changes on the ability of that agency to perform its other responsibilities, including any impact on specific missions or programs of the agency.

(iii) CONGRESSIONAL NOTIFICATION.—The head of a National Drug Control Program agency shall submit a copy of any impact statement under clause (ii) to the Senate and the House of Representatives at the time the budget for that agency is submitted to Congress under section 1105(a) of title 31, United States Code.

(D) CERTIFICATION OF BUDGET SUBMISSIONS.—

(i) IN GENERAL.—At the time a National Drug Control Program agency submits its budget request to the Office of Management and Budget, the head of the National Drug Control Program agency shall submit a copy of the budget request to the Director.

(ii) CERTIFICATION.—The Director—

(I) shall review each budget submission submitted under clause (i); and

(II) based on the review under subclause (I), if the Director concludes that the budget submission of a National Drug Control Program agency does not include the funding levels and initiatives described under subparagraph (B)—

(aa) may issue a written decertification of that agency's budget; and

(bb) in the case of a decertification issued under item (aa), shall submit to the Senate and the House of Representatives a copy of the—

(aaa) decertification issued under item (aa);

(bbb) the description made under subparagraph (B); and

(ccc) the budget recommendations made under subsection (b)(8).

(4) REPROGRAMMING AND TRANSFER REQUESTS.—

(A) IN GENERAL.—No National Drug Control Program agency shall submit to Congress a reprogramming or transfer request with respect to any amount of appropriated funds in an amount exceeding $5,000,000 that is included in the National Drug Control Program budget unless the request has been approved by the Director.

(B) APPEAL.—The head of any National Drug Control Program agency may appeal to the President any disapproval by the Director of a reprogramming or transfer request under this paragraph.

(d) POWERS OF THE DIRECTOR.—In carrying out subsection (b), the Director may—

(1) select, appoint, employ, and fix compensation of such officers and employees of the Office as may be necessary to carry out the functions of the Office under this title;

(2) subject to subsection (e)(3), request the head of a department or agency, or program of the Federal Government to place department, agency, or program personnel who are engaged in drug control activities on temporary detail to another department, agency, or program in order to implement the National Drug Control Strategy, and the head of the department or agency shall comply with such a request;

(3) use for administrative purposes, on a reimbursable basis, the available services, equipment, personnel, and facilities of Federal, State, and local agencies;

(4) procure the services of experts and consultants in accordance with section 3109 of title 5, United States Code, relating to appointments in the Federal Service, at rates of compensation for individuals not to exceed the daily equivalent of the rate of pay

payable under level IV of the Executive Schedule under section 5311 of title 5, United States Code;

(5) accept and use gifts and donations of property from Federal, State, and local government agencies, and from the private sector, as authorized in section 703(d);

(6) use the mails in the same manner as any other department or agency of the executive branch;

(7) monitor implementation of the National Drug Control Program, including—

(A) conducting program and performance audits and evaluations;

(B) requesting assistance from the Inspector General of the relevant agency in such audits and evaluations; and

(C) commissioning studies and reports by a National Drug Control Program agency, with the concurrence of the head of the affected agency;

(8) transfer funds made available to a National Drug Control Program agency for National Drug Control Strategy programs and activities to another account within such agency or to another National Drug Control Program agency for National Drug Control Strategy programs and activities, except that—

(A) the authority under this paragraph may be limited in an annual appropriations Act or other provision of Federal law;

(B) the Director may exercise the authority under this paragraph only with the concurrence of the head of each affected agency;

(C) in the case of an interagency transfer, the total amount of transfers under this paragraph may not exceed 2 percent of the total amount of funds made available for National Drug Control Strategy programs and activities to the agency from which those funds are to be transferred;

(D) funds transferred to an agency under this paragraph may only be used to increase the funding for programs or activities that—

(i) have a higher priority than the programs or activities from which funds are transferred; and

(ii) have been authorized by Congress; and

(E) the Director shall—

(i) submit to Congress, including to the Committees on Appropriations of the Senate and the House of Representatives and other applicable committees of jurisdiction, a reprogramming or transfer request in advance of any transfer under this paragraph in accordance with the regulations of the affected agency or agencies; and

(ii) annually submit to Congress a report describing the effect of all transfers of funds made pursuant to this paragraph or subsection (c)(4) during the 12-month period preceding the date on which the report is submitted;

(9) issue to the head of a National Drug Control Program agency a fund control notice described in subsection (f) to ensure compliance with the National Drug Control Program Strategy; and

(10) participate in the drug certification process pursuant to section 490 of the Foreign Assistance Act of 1961 (22 U.S.C. 2291j).

(e) PERSONNEL DETAILED TO OFFICE.—

(1) EVALUATIONS.—Notwithstanding any provision of chapter 43 of title 5, United States Code, the Director shall perform the evaluation of the performance of any employee detailed to the Office for purposes of the applicable performance appraisal system established under such chapter for any rating period, or part thereof, that such employee is detailed to such office.

(2) COMPENSATION.—

(A) BONUS PAYMENTS.—Notwithstanding any other provision of law, the Director may provide periodic bonus payments to any employee detailed to the Office.

(B) RESTRICTIONS.—An amount paid under this paragraph to an employee for any period—

(i) shall not be greater than 20 percent of the basic pay paid or payable to such employee for such period; and

(ii) shall be in addition to the basic pay of such employee.

(C) AGGREGATE AMOUNT.—The aggregate amount paid during any fiscal year to an employee detailed to the Office as basic pay, awards, bonuses, and other compensation shall not exceed the annual rate payable at the end of such fiscal year for positions at level III of the Executive Schedule.

(3) MAXIMUM NUMBER OF DETAILEES.—The maximum number of personnel who may be detailed to another department or agency (including the Office) under subsection (d)(2) during any fiscal year is—

(A) for the Department of Defense, 50; and

(B) for any other department or agency, 10.

SEC. 705. COORDINATION WITH NATIONAL DRUG CONTROL PROGRAM AGENCIES IN DEMAND REDUCTION, SUPPLY REDUCTION, AND STATE AND LOCAL AFFAIRS.

(a) ACCESS TO INFORMATION.—

(1) IN GENERAL.—Upon the request of the Director, the head of any National Drug Control Program agency shall cooperate with and provide to the Director any statistics, studies, reports, and other information prepared or collected by the agency concerning the responsibilities of the agency under the National Drug Control Strategy that relate to—

(A) drug abuse control; or

(B) the manner in which amounts made available to that agency for drug control are being used by that agency.

(2) PROTECTION OF INTELLIGENCE INFORMATION.—

(A) IN GENERAL.—The authorities conferred on the Office and the Director by this title shall be exercised in a manner consistent with provisions of the National Security Act of 1947 (50 U.S.C. 401 et seq.). The Director of Central Intelligence shall prescribe such regulations as may be necessary to protect information provided pursuant to this title regarding intelligence sources and methods.

(B) DUTIES OF DIRECTOR.—The Director of Central Intelligence shall, to the maximum extent practicable in accordance with subparagraph (A), render full assistance and support to the Office and the Director.

(3) ILLEGAL DRUG CULTIVATION.—The Secretary of Agriculture shall annually submit to the Director an assessment of the acreage of illegal drug cultivation in the United States.

(b) CERTIFICATION OF POLICY CHANGES TO DIRECTOR.—

(1) IN GENERAL.—Subject to paragraph (2), the head of a National Drug Control Program agency shall, unless exigent circumstances require otherwise, notify the Director in writing regarding any proposed change in policies relating to the activities of that agency under the National Drug Control Program prior to implementation of such change. The Director shall promptly review such proposed change and certify to the head of that agency in writing whether such change is consistent with the National Drug Control Strategy.

(2) EXCEPTION.—If prior notice of a proposed change under paragraph (1) is not practicable—

(A) the head of the National Drug Control Program agency shall notify the Director of the proposed change as soon as practicable; and

(B) upon such notification, the Director shall review the change and certify to the head of that agency in writing whether the change is consistent with the National Drug Control Program.

(c) GENERAL SERVICES ADMINISTRATION.—The Administrator of General Services shall provide to the Director, in a reimbursable basis, such administrative support services as the Director may request.

SEC. 706. DEVELOPMENT, SUBMISSION, IMPLEMENTATION, AND ASSESSMENT OF NATIONAL DRUG CONTROL STRATEGY.

(a) TIMING, CONTENTS, AND PROCESS FOR DEVELOPMENT AND SUBMISSION OF NATIONAL DRUG CONTROL STRATEGY.—

(1) TIMING.—Not later than February 1, 1998, the President shall submit to Congress a National Drug Control Strategy, which shall set forth a comprehensive plan, covering a period of not more than 10 years, for reducing drug abuse and the consequences of drug abuse in the United States, by limiting the availability of and reducing the demand for illegal drugs.

(2) CONTENTS.—

(A) IN GENERAL.—The National Drug Control Strategy submitted under paragraph (1) shall include—

(i) comprehensive, research-based, long-range, quantifiable, goals for reducing drug abuse and the consequences of drug abuse in the United States;

(ii) annual, quantifiable, and measurable objectives to accomplish long-term quantifiable goals that the Director determines may be realistically achieved during each year of the period beginning on the date on which the National Drug Control Strategy is submitted;

(iii) 5-year projections for program and budget priorities; and

(iv) a review of State, local, and private sector drug control activities to ensure that the United States pursues well-coordinated and effective drug control at all levels of government.

(B) CLASSIFIED INFORMATION.—Any contents of the National Drug Control Strategy that involves information properly classified under criteria established by an Executive order shall be presented to Congress separately from the rest of the National Drug Control Strategy.

(3) PROCESS FOR DEVELOPMENT AND SUBMISSION.—

(A) CONSULTATION.—In developing and effectively implementing the National Drug Control Strategy, the Director—

(i) shall consult with—

(I) the heads of the National Drug Control Program agencies;

(II) Congress;

(III) State and local officials;

(IV) private citizens and organizations with experience and expertise in demand reduction; and

(V) private citizens and organizations with experience and expertise in supply reduction; and

(ii) may require the National Drug Intelligence Center and the El Paso Intelligence Center to undertake specific tasks or projects to implement the National Drug Control Strategy.

(B) INCLUSION IN STRATEGY.—The National Drug Control Strategy under this subsection, and each report submitted under subsection (b), shall include a list of each entity consulted under subparagraph (A)(i).

(4) MODIFICATION AND RESUBMITTAL.—Notwithstanding any other provision of law, the President may modify a National Drug Control Strategy submitted under paragraph (1) at any time.

(b) ANNUAL STRATEGY REPORT.—

(1) IN GENERAL.—Not later than February 1, 1999, and on February 1 of each year thereafter, the President shall submit to Congress a report on the progress in implementing the

Strategy under subsection (a), which shall include—

(A) an assessment of the Federal effectiveness in achieving the National Drug Control Strategy goals and objectives using the performance measurement system described in subsection (c), including—

(i) an assessment of drug use and availability in the United States; and

(ii) an estimate of the effectiveness of interdiction, treatment, prevention, law enforcement, and international programs under the National Drug Control Strategy in effect during the preceding year, or in effect as of the date on which the report is submitted;

(B) any modifications of the National Drug Control Strategy or the performance measurement system described in subsection (c);

(C) an assessment of the manner in which the budget proposal submitted under section 704(c) is intended to implement the National Drug Control Strategy and whether the funding levels contained in such proposal are sufficient to implement such Strategy;

(D) beginning on February 1, 1999, and annually thereafter, measurable data evaluating the success or failure in achieving the annual measurable objectives described in subsection (a)(2)(A)(ii);

(E) an assessment of current drug use (including inhalants) and availability, impact of drug use, and treatment availability, which assessment shall include—

(i) estimates of drug prevalence and frequency of use as measured by national, State, and local surveys of illicit drug use and by other special studies of—

(I) casual and chronic drug use;

(II) high-risk populations, including school dropouts, the homeless and transient, arrestees, parolees, probationers, and juvenile delinquents; and

(III) drug use in the workplace and the productivity lost by such use;

(ii) an assessment of the reduction of drug availability against an ascertained baseline, as measured by—

(I) the quantities of cocaine, heroin, marijuana, methamphetamine, and other drugs available for consumption in the United States;

(II) the amount of marijuana, cocaine, and heroin entering the United States;

(III) the number of hectares of marijuana, poppy, and coca cultivated and destroyed;

(IV) the number of metric tons of marijuana, heroin, and cocaine seized;

(V) the number of cocaine and methamphetamine processing laboratories destroyed;

(VI) changes in the price and purity of heroin and cocaine;

(VII) the amount and type of controlled substances diverted from legitimate retail and wholesale sources; and

(VIII) the effectiveness of Federal technology programs at improving drug detection capabilities in interdiction, and at United States ports of entry;

(iii) an assessment of the reduction of the consequences of drug use and availability, which shall include estimation of—

(I) the burden drug users placed on hospital emergency departments in the United States, such as the quantity of drug-related services provided;

(II) the annual national health care costs of drug use, including costs associated with people becoming infected with the human immunodeficiency virus and other infectious diseases as a result of drug use;

(III) the extent of drug-related crime and criminal activity; and

(IV) the contribution of drugs to the underground economy, as measured by the retail value of drugs sold in the United States;

(iv) a determination of the status of drug treatment in the United States, by assessing—

(I) public and private treatment capacity within each State, including information on the treatment capacity available in relation to the capacity actually used;

(II) the extent, within each State, to which treatment is available;

(III) the number of drug users the Director estimates could benefit from treatment; and

(IV) the specific factors that restrict the availability of treatment services to those seeking it and proposed administrative or legislative remedies to make treatment available to those individuals; and

(v) a review of the research agenda of the Counter-Drug Technology Assessment Center to reduce the availability and abuse of drugs; and

(F) an assessment of private sector initiatives and cooperative efforts between the Federal Government and State and local governments for drug control.

(2) SUBMISSION OF REVISED STRATEGY.—The President may submit to Congress a revised National Drug Control Strategy that meets the requirements of this section—

(A) at any time, upon a determination by the President, in consultation with the Director, that the National Drug Control Strategy in effect is not sufficiently effective; and

(B) if a new President or Director takes office.

(c) PERFORMANCE MEASUREMENT SYSTEM.—

(1) IN GENERAL.—Not later than February 1, 1998, the Director shall submit to Congress a description of the national drug control performance measurement system, designed in consultation with affected National Drug Control Program agencies, that—

(A) develops performance objectives, measures, and targets for each National Drug Control Strategy goal and objective;

(B) revises performance objectives, measures, and targets, to conform with National Drug Control Program Agency budgets;

(C) identifies major programs and activities of the National Drug Control Program agencies that support the goals and objectives of the National Drug Control Strategy;

(D) evaluates implementation of major program activities supporting the National Drug Control Strategy;

(E) monitors consistency between the drug-related goals and objectives of the National Drug Control Program agencies and ensures that drug control agency goals and budgets support and are fully consistent with the National Drug Control Strategy; and

(F) coordinates the development and implementation of national drug control data collection and reporting systems to support policy formulation and performance measurement, including an assessment of—

(i) the quality of current drug use measurement instruments and techniques to measure supply reduction and demand reduction activities;

(ii) the adequacy of the coverage of existing national drug use measurement instruments and techniques to measure the casual drug user population and groups that are at risk for drug use; and

(iii) the actions the Director shall take to correct any deficiencies and limitations identified pursuant to subparagraphs (A) and (B) of subsection (b)(4).

(2) MODIFICATIONS.—

(A) IN GENERAL.—A description of any modifications made during the preceding year to the national drug control performance measurement system described in paragraph (1) shall be included in each report submitted under subsection (b).

(B) ANNUAL PERFORMANCE OBJECTIVES, MEASURES, AND TARGETS.—Not later than February 1, 1999, the Director shall submit to Congress a modified performance measurement system that—

(i) develops annual performance objectives, measures, and targets for each National Drug Control Strategy goal and objective; and

(ii) revises the annual performance objectives, measures, and targets to conform with the National Drug Control Program agency budgets.

SEC. 707. HIGH INTENSITY DRUG TRAFFICKING AREAS PROGRAM.

(a) ESTABLISHMENT.—There is established in the Office a program to be known as the High Intensity Drug Trafficking Areas Program.

(b) DESIGNATION.—The Director, upon consultation with the Attorney General, the Secretary of the Treasury, heads of the National Drug Control Program agencies, and the Governor of each State, may designate any specified area of the United States as a high intensity drug trafficking area. After making such a designation and in order to provide Federal assistance to the area so designated, the Director may—

(1) obligate such sums as appropriated for the High Intensity Drug Trafficking Areas Program;

(2) direct the temporary reassignment of Federal personnel to such area, subject to the approval of the head of the department or agency that employs such personnel;

(3) take any other action authorized under section 704 to provide increased Federal assistance to those areas;

(4) coordinate activities under this subsection (specifically administrative, recordkeeping, and funds management activities) with State and local officials.

(c) FACTORS FOR CONSIDERATION.—In considering whether to designate an area under this section as a high intensity drug trafficking area, the Director shall consider, in addition to such other criteria as the Director considers to be appropriate, the extent to which—

(1) the area is a center of illegal drug production, manufacturing, importation, or distribution;

(2) State and local law enforcement agencies have committed resources to respond to the drug trafficking problem in the area, thereby indicating a determination to respond aggressively to the problem;

(3) drug-related activities in the area are having a harmful impact in other areas of the country; and

(4) a significant increase in allocation of Federal resources is necessary to respond adequately to drug-related activities in the area.

SEC. 708. COUNTER-DRUG TECHNOLOGY ASSESSMENT CENTER.

(a) ESTABLISHMENT.—There is established within the Office the Counter-Drug Technology Assessment Center (referred to in this section as the ''Center''). The Center shall operate under the authority of the Director of National Drug Control Policy and shall serve as the central counter-drug technology research and development organization of the United States Government.

(b) DIRECTOR OF TECHNOLOGY.—There shall be at the head of the Center the Director of Technology, who shall be appointed by the Director of National Drug Control Policy from among individuals qualified and distinguished in the area of science, medicine, engineering, or technology.

(c) ADDITIONAL RESPONSIBILITIES OF THE DIRECTOR OF NATIONAL DRUG CONTROL POLICY.—

(1) IN GENERAL.—The Director, acting through the Director of Technology shall—

(A) identify and define the short-, medium-, and long-term scientific and technological needs of Federal, State, and local drug supply reduction agencies, including—

(i) advanced surveillance, tracking, and radar imaging;

(ii) electronic support measures;

(iii) communications;

(iv) data fusion, advanced computer systems, and artificial intelligence; and

(v) chemical, biological, radiological (including neutron, electron, and graviton), and other means of detection;

(B) identify demand reduction basic and applied research needs and initiatives, in consultation with affected National Drug Control Program agencies, including—

(i) improving treatment through neuroscientific advances;

(ii) improving the transfer of biomedical research to the clinical setting; and

(iii) in consultation with the National Institute on Drug Abuse, and through interagency agreements or grants, examining addiction and rehabilitation research and the application of technology to expanding the effectiveness or availability of drug treatment;

(C) make a priority ranking of such needs identified in subparagraphs (A) and (B) according to fiscal and technological feasibility, as part of a National Counter-Drug Enforcement Research and Development Program;

(D) oversee and coordinate counter-drug technology initiatives with related activities of other Federal civilian and military departments;

(E) provide support to the development and implementation of the national drug control performance measurement system; and

(F) pursuant to the authority of the Director of National Drug Control Policy under section 704, submit requests to Congress for the reprogramming or transfer of funds appropriated for counter-drug technology research and development.

(2) LIMITATION ON AUTHORITY.—The authority granted to the Director under this subsection shall not extend to the award of contracts, management of individual projects, or other operational activities.

(d) ASSISTANCE AND SUPPORT TO OFFICE OF NATIONAL DRUG CONTROL POLICY.—The Secretary of Defense and the Secretary of Health and Human Services shall, to the maximum extent practicable, render assistance and support to the Office and to the Director in the conduct of counter-drug technology assessment.

SEC. 709. PRESIDENT'S COUNCIL ON COUNTER-NARCOTICS.

(a) ESTABLISHMENT.—There is established a council to be known as the President's Council on Counter-Narcotics (referred to in this section as the ''Council'').

(b) MEMBERSHIP.—

(1) IN GENERAL.—Subject to paragraph (2), the Council shall be composed of 18 members, of whom—

(A) 1 shall be the President, who shall serve as Chairman of the Council;

(B) 1 shall be the Vice President;

(C) 1 shall be the Secretary of State;

(D) 1 shall be the Secretary of the Treasury;

(E) 1 shall be the Secretary of Defense;

(F) 1 shall be the Attorney General;

(G) 1 shall be the Secretary of Transportation;

(H) 1 shall be the Secretary of Health and Human Services;

(I) 1 shall be the Secretary of Education;

(J) 1 shall be the Representative of the United States of America to the United Nations;

(K) 1 shall be the Director of the Office of Management and Budget;

(L) 1 shall be the Chief of Staff to the President;

(M) 1 shall be the Director of the Office, who shall serve as the Executive Director of the Council;

(N) 1 shall be the Director of Central Intelligence;

(O) 1 shall be the Assistant to the President for National Security Affairs;

(P) 1 shall be the Counsel to the President;

(Q) 1 shall be the Chairman of the Joint Chiefs of Staff; and

(R) 1 shall be the National Security Adviser to the Vice President.

(2) ADDITIONAL MEMBERS.—The President may, in the discretion of the President, appoint additional members to the Council.

(c) FUNCTIONS.—The Council shall advise and assist the President in—

(1) providing direction and oversight for the national drug control strategy, including relating drug control policy to other national security interests and establishing priorities; and

(2) ensuring coordination among departments and agencies of the Federal Government concerning implementation of the National Drug Control Strategy.

(d) ADMINISTRATION.—

(1) IN GENERAL.—The Council may utilize established or ad hoc committees, task forces, or interagency groups chaired by the Director (or a representative of the Director) in carrying out the functions of the Council under this section.

(2) STAFF.—The staff of the Office, in coordination with the staffs of the Vice President and the Assistant to the President for National Security Affairs, shall act as staff for the Council.

(3) COOPERATION FROM OTHER AGENCIES.—Each department and agency of the executive branch shall—

(A) cooperate with the Council in carrying out the functions of the Council under this section; and

(B) provide such assistance, information, and advice as the Council may request, to the extent permitted by law.

SEC. 710. PARENTS ADVISORY COUNCIL ON YOUTH DRUG ABUSE.

(a) IN GENERAL.—

(1) ESTABLISHMENT.—There is established a Council to be known as the Parents Advisory Council on Youth Drug Abuse (referred to in this section as the ''Council'').

(2) MEMBERSHIP.—

(A) COMPOSITION.—The Council shall be composed of 16 members, of whom—

(i) 4 shall be appointed by the President, each of whom shall be a parent or guardian of a child who is not less than 6 and not more than 18 years of age as of the date on which the appointment is made;

(ii) 4 shall be appointed by the Majority Leader of the Senate, 3 of whom shall be a parent or guardian of a child who is not less than 6 and not more than 18 years of age as of the date on which the appointment is made;

(iii) 2 shall be appointed by the Minority Leader of the Senate, each of whom shall be a parent or guardian of a child who is not less than 6 and not more than 18 years of age as of the date on which the appointment is made;

(iv) 4 shall be appointed by the Speaker of the House of Representatives, 3 of whom shall be a parent or guardian of a child who is not less than 6 and not more than 18 years of age as of the date on which the appointment is made; and

(v) 2 shall be appointed by the Minority Leader of the House of Representatives, each of whom shall be a parent or guardian of a child who is not less than 6 and not more than 18 years of age as of the date on which the appointment is made.

(B) REQUIREMENTS.—

(i) IN GENERAL.—Each member of the Council shall be an individual from the private sector with a demonstrated interest and expertise in research, education, treatment, or prevention activities related to youth drug abuse.

(ii) REPRESENTATIVES OF NONPROFIT ORGANIZATIONS.—Not less than 1 member appointed under each of clauses (i) through (v) of paragraph (1)(A) shall be a representative of a nonprofit organization focused on involving parents in antidrug education and prevention.

(C) DATE.—The appointments of the initial members of the Council shall be made not later than 60 days after the date of enactment of this section.

(D) DIRECTOR.—The Director may, in the discretion of the Director, serve as an adviser to the Council and attend such meetings and hearings of the Council as the Director considers to be appropriate.

(3) PERIOD OF APPOINTMENT; VACANCIES.—

(A) PERIOD OF APPOINTMENT.—Each member of the Council shall be appointed for a term of 3 years, except that, of the initial members of the Council—

(i) 1 member appointed under each of clauses (i) through (v) of paragraph (1)(A) shall be appointed for a term of 1 year; and

(ii) 1 member appointed under each of clauses (i) through (v) of paragraph (1)(A) shall be appointed for a term of 2 years.

(B) VACANCIES.—Any vacancy in the Council shall not affect its powers, provided that a quorum is present, but shall be filled in the same manner as the original appointment. Any member appointed to fill a vacancy occurring before the expiration of the term for which the member's predecessor was appointed shall be appointed only for the remainder of that term.

(C) APPOINTMENT OF SUCCESSOR.—To the extent necessary to prevent a vacancy in the membership of the Council, a member of the Council may serve for not more than 6 months after the expiration of the term of that member, if the successor of that member has not been appointed.

(4) INITIAL MEETING.—Not later than 120 days after the date on which all initial members of the Council have been appointed, the Council shall hold its first meeting.

(5) MEETINGS.—The Council shall meet at the call of the Chairperson.

(6) QUORUM.—Nine members of the Council shall constitute a quorum, but a lesser number of members may hold hearings.

(7) CHAIRPERSON AND VICE CHAIRPERSON.—

(A) IN GENERAL.—The members of the Council shall select a Chairperson and Vice Chairperson from among the members of the Council.

(B) DUTIES OF CHAIRPERSON.—The Chairperson of the Council shall—

(i) serve as the executive director of the Council;

(ii) direct the administration of the Council;

(iii) assign officer and committee duties relating to the Council; and

(iv) issue the reports, policy positions, and statements of the Council.

(C) DUTIES OF VICE CHAIRPERSON.—If the Chairperson of the Council is unable to serve, the Vice Chairperson shall serve as the Chairperson.

(b) DUTIES OF THE COUNCIL.—

(1) IN GENERAL.—The Council—

(A) shall advise the President and the Members of the Cabinet, including the Director, on drug prevention, education, and treatment; and

(B) may issue reports and recommendations on drug prevention, education, and treatment, in addition to the annual report

detailed in paragraph (2), as the Council considers appropriate.

(2) SUBMISSION TO CONGRESS.—Any report or recommendation issued by the Council shall be submitted to Congress.

(3) ADVICE ON THE NATIONAL DRUG CONTROL STRATEGY.—Not later than December 1, 1998, and on December 1 of each year thereafter, the Council shall submit to the Director an annual report containing drug control strategy recommendations on drug prevention, education, and treatment. Each report submitted to the Director under this paragraph shall be included as an appendix to the report submitted by the Director under section 706(b).

(c) POWERS OF THE COUNCIL.—

(1) HEARINGS.—The Council may hold such hearings, sit and act at such times and places, take such testimony, and receive such evidence as the Council considers advisable to carry out this section.

(2) INFORMATION FROM FEDERAL AGENCIES.—The Council may secure directly from any department or agency of the Federal Government such information as the Council considers to be necessary to carry out this section. Upon request of the Chairperson of the Council, the head of that department or agency shall furnish such information to the Council, unless the head of that department or agency determines that furnishing the information to the Council would threaten the national security of the United States, the health, safety, or privacy of any individual, or the integrity of an ongoing investigation.

(3) POSTAL SERVICES.—The Council may use the United States mails in the same manner and under the same conditions as other departments and agencies of the Federal Government.

(4) GIFTS.—The Council may solicit, accept, use, and dispose of gifts or donations of services or property in connection with performing the duties of the Council under this section.

(d) EXPENSES.—The members of the Council shall be allowed travel expenses, including per diem in lieu of subsistence, at rates authorized for employees of agencies under subchapter I of chapter 57 of title 5, United States Code, while away from their homes or regular places of business in the performance of services for the Council.

(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Council such sums as may be necessary carry out this section.

SEC. 711. DRUG INTERDICTION.

(a) DEFINITION.—In this section, the term ''Federal drug control agency'' means—

(1) the Office of National Drug Control Policy;

(2) the Department of Defense;

(3) the Drug Enforcement Administration;

(4) the Federal Bureau of Investigation;

(5) the Immigration and Naturalization Service;

(6) the United States Coast Guard;

(7) the United States Customs Service; and

(8) any other department or agency of the Federal Government that the Director determines to be relevant.

(b) REPORT.—In order to assist Congress in determining the personnel, equipment, funding, and other resources that would be required by Federal drug control agencies in order to achieve a level of interdiction success at or above the highest level achieved before the date of enactment of this title, not later than 90 days after the date of enactment of this Act, the Director shall submit to Congress and to each Federal drug control program agency a report, which shall include—

(1) with respect to the southern and western border regions of the United States (including the Pacific coast, the border with Mexico, the Gulf of Mexico coast, and other ports of entry) and in overall totals, data relating to—

(A) the amount of marijuana, heroin, methamphetamine, and cocaine—

(i) seized during the year of highest recorded seizures for each drug in each region and during the year of highest recorded overall seizures; and

(ii) disrupted during the year of highest recorded disruptions for each drug in each region and during the year of highest recorded overall seizures; and

(B) the number of persons arrested for violations of section 1010(a) of the Controlled Substances Import and Export Act (21 U.S.C. 960(a)) and related offenses during the year of the highest number of arrests on record for each region and during the year of highest recorded overall arrests;

(2) the price of cocaine, heroin, methamphetamine, and marijuana during the year of highest price on record during the preceding 10-year period, adjusted for purity where possible; and

(3) a description of the personnel, equipment, funding, and other resources of the Federal drug control agency devoted to drug interdiction and securing the borders of the United States against drug trafficking for each of the years identified in paragraphs (1) and (2) for each Federal drug control agency.

(b) BUDGET PROCESS.—

(1) INFORMATION TO DIRECTOR.—Based on the report submitted under subsection (b), each Federal drug control agency shall submit to the Director, as part of each annual drug control budget request submitted by the Federal drug control agency to the Director under section 704(c)(2), a description of the specific personnel, equipment, funding, and other resources that would be required for the Federal drug control agency to meet or exceed the highest level of interdiction success for that agency identified in the report submitted under subsection (b).

(2) INFORMATION TO CONGRESS.—The Director shall include each submission under paragraph (1) in each annual consolidated National Drug Control Program budget proposal submitted by the Director to Congress under section 704(c), which submission shall be accompanied by a description of any additional resources that would be required by the Federal drug control agencies to meet the highest level of interdiction success identified in the report submitted under subsection (b).

SEC. 712. REPORT ON AN ALLIANCE AGAINST NARCOTICS TRAFFICKING IN THE WESTERN HEMISPHERE.

(a) SENSE OF CONGRESS ON DISCUSSIONS FOR ALLIANCE.—

(1) SENSE OF CONGRESS.—It is the sense of Congress that the President should discuss with the democratically elected governments of the Western Hemisphere the prospect of forming a multilateral alliance to address problems relating to international drug trafficking in the Western Hemisphere.

(2) CONSULTATIONS.—In the consultations on the prospect of forming an alliance described in paragraph (1), the President should seek the input of such governments on the possibility of forming 1 or more structures within the alliance—

(A) to develop a regional, multilateral strategy to address the threat posed to nations in the Western Hemisphere by drug trafficking; and

(B) to establish a new mechanism for improving multilateral coordination of drug interdiction and drug-related law enforcement activities in the Western Hemisphere.

(b) REPORT.—

(1) REQUIREMENT.—Not later than 60 days after the date of enactment of this Act, the President shall submit to Congress a report on the proposal discussed under subsection (a), which shall include—

(A) an analysis of the reactions of the governments concerned to the proposal;

(B) an assessment of the proposal, including an evaluation of the feasibility and advisability of forming the alliance;

(C) a determination in light of the analysis and assessment whether or not the formation of the alliance is in the national interests of the United States;

(D) if the President determines that the formation of the alliance is in the national interests of the United States, a plan for encouraging and facilitating the formation of the alliance; and

(E) if the President determines that the formation of the alliance is not in the national interests of the United States, an alternative proposal to improve significantly efforts against the threats posed by narcotics trafficking in the Western Hemisphere, including an explanation of the manner in which the alternative proposal will—

(i) improve upon current cooperation and coordination of counter-drug efforts among nations in the Western Hemisphere;

(ii) provide for the allocation of the resources required to make significant progress in disrupting and disbanding the criminal organizations responsible for the trafficking of illegal drugs in the Western Hemisphere; and

(iii) differ from and improve upon past strategies adopted by the United States Government which have failed to make sufficient progress against the trafficking of illegal drugs in the Western Hemisphere.

(2) UNCLASSIFIED FORM.—The report under paragraph (1) shall be submitted in unclassified form, but may contain a classified annex.

SEC. 713. ESTABLISHMENT OF SPECIAL FORFEITURE FUND.

Section 6073 of the Asset Forfeiture Amendments Act of 1988 (21 U.S.C. 1509) is amended—

(1) in subsection (b)—

(A) by striking ''section 524(c)(9)'' and inserting ''section 524(c)(8)''; and

(B) by striking ''section 9307(g)'' and inserting ''section 9703(g)''; and

(2) in subsection (e), by striking ''strategy'' and inserting ''Strategy''.

SEC. 714. TECHNICAL AND CONFORMING AMENDMENTS.

(a) TITLE 5, UNITED STATES CODE.—Chapter 53 of title 5, United States Code, is amended—

(1) in section 5312, by adding at the end the following:

''Director of National Drug Control Policy.'';

(2) in section 5313, by adding at the end the following:

''Deputy Director of National Drug Control Policy.''; and

(3) in section 5314, by adding at the end the following:

''Deputy Director for Demand Reduction, Office of National Drug Control Policy.

''Deputy Director for Supply Reduction, Office of National Drug Control Policy.

''Deputy Director for State and Local Affairs, Office of National Drug Control Policy.''.

(b) NATIONAL SECURITY ACT OF 1947.—Section 101 of the National Security Act of 1947 (50 U.S.C. 402) is amended by redesignating subsection (f) as subsection (g) and inserting after subsection (e) the following:

''(f) The Director of National Drug Control Policy may, in the role of the Director as principal adviser to the National Security Council on national drug control policy, and

subject to the direction of the President, attend and participate in meetings of the National Security Council.''.

(c) SUBMISSION OF NATIONAL DRUG CONTROL PROGRAM BUDGET WITH ANNUAL BUDGET REQUEST OF PRESIDENT.—Section 1105(a) of title 31, United States Code, is amended by inserting after paragraph (25) the following:

''(26) a separate statement of the amount of appropriations requested for the Office of National Drug Control Policy and each program of the National Drug Control Program.''.

SEC. 715. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to carry out this title, to remain available until expended, such sums as may be necessary for each of fiscal years 1998 through 2002.

SEC. 716. TERMINATION OF OFFICE OF NATIONAL DRUG CONTROL POLICY.

(a) IN GENERAL.—Except as provided in subsection (b), effective on September 30, 2002, this title and the amendments made by this title are repealed.

(b) EXCEPTION.—Subsection (a) does not apply to section 713 or the amendments made by that section.

GRAHAM (AND OTHERS) AMENDMENT NO. 3368

Mr. CAMPBELL (for Mr. GRAHAM for himself, Mr. MACK, Mr. KENNEDY, Mr. MOYNIHAN, Mrs. FEINSTEIN, Ms. MOSELEY-BRAUN, Mr. KERRY, and Mr. DURBIN) proposed an amendment to the bill, S. 2312, supra; as follows:

At the appropriate place in the bill, insert the following:

TITLE ____—HAITIAN REFUGEE IMMIGRATION FAIRNESS ACT OF 1998

SEC. ___01. SHORT TITLE.

This title may be cited as the ''Haitian Refugee Immigration Fairness Act of 1998''.

SEC. ___02. ADJUSTMENT OF STATUS OF CERTAIN HAITIAN NATIONALS.

(a) ADJUSTMENT OF STATUS.—

(1) IN GENERAL.—The status of any alien described in subsection (b) shall be adjusted by the Attorney General to that of an alien lawfully admitted for permanent residence, if the alien—

(A) applies for such adjustment before April 1, 2000; and

(B) is otherwise admissible to the United States for permanent residence, except that, in determining such admissibility, the grounds for inadmissibility specified in paragraphs (4), (5), (6)(A), (7)(A), and (9)(B) of section 212(a) of the Immigration and Nationality Act shall not apply.

(2) RELATIONSHIP OF APPLICATION TO CERTAIN ORDERS.—An alien present in the United States who has been ordered excluded, deported, removed, or ordered to depart voluntarily from the United States under any provision of the Immigration and Nationality Act may, notwithstanding such order, apply for adjustment of status under paragraph (1). Such an alien may not be required, as a condition on submitting or granting such application, to file a separate motion to reopen, reconsider, or vacate such order. If the Attorney General grants the application, the Attorney General shall cancel the order. If the Attorney General makes a final decision to deny the application, the order shall be effective and enforceable to the same extent as if the application had not been made.

(b) ALIENS ELIGIBLE FOR ADJUSTMENT OF STATUS.—The benefits provided by subsection (a) shall apply to any alien who is a national of Haiti who—

(1) was present in the United States on December 31, 1995, who—

(A) filed for asylum before December 31, 1995,

(B) was paroled into the United States prior to December 31, 1995, after having been identified as having a credible fear of persecution, or paroled for emergent reasons or reasons deemed strictly in the public interest, or

(C) was a child (as defined in the text above subparagraph (A) of section 101(b)(1) of the Immigration and Nationality Act (8 U.S.C. 1101(b)(1)) at the time of arrival in the United States and on December 31, 1995, and who—

(i) arrived in the United States without parents in the United States and has remained without parents in the United States since such arrival,

(ii) became orphaned subsequent to arrival in the United States, or

(iii) was abandoned by parents or guardians prior to April 1, 1998 and has remained abandoned since such abandonment; and

(2) has been physically present in the United States for a continuous period beginning not later than December 31, 1995, and ending not earlier than the date the application for such adjustment is filed, except that an alien shall not be considered to have failed to maintain continuous physical presence by reason of an absence, or absences, from the United States for any period or periods amounting in the aggregate to not more than 180 days.

(c) STAY OF REMOVAL.—

(1) IN GENERAL.—The Attorney General shall provide by regulation for an alien who is subject to a final order of deportation or removal or exclusion to seek a stay of such order based on the filing of an application under subsection (a).

(2) DURING CERTAIN PROCEEDINGS.—Notwithstanding any provision of the Immigration and Nationality Act, the Attorney General shall not order any alien to be removed from the United States, if the alien is in exclusion, deportation, or removal proceedings under any provision of such Act and has applied for adjustment of status under subsection (a), except where the Attorney General has made a final determination to deny the application.

(3) WORK AUTHORIZATION.—The Attorney General may authorize an alien who has applied for adjustment of status under subsection (a) to engage in employment in the United States during the pendency of such application and may provide the alien with an ''employment authorized'' endorsement or other appropriate document signifying authorization of employment, except that if such application is pending for a period exceeding 180 days, and has not been denied, the Attorney General shall authorize such employment.

(d) ADJUSTMENT OF STATUS FOR SPOUSES AND CHILDREN.—

(1) IN GENERAL.—The status of an alien shall be adjusted by the Attorney General to that of an alien lawfully admitted for permanent residence, if—

(A) the alien is a national of Haiti;

(B) the alien is the spouse, child, or unmarried son or daughter, of an alien whose status is adjusted to that of an alien lawfully admitted for permanent residence under subsection (a), except that, in the case of such an unmarried son or daughter, the son or daughter shall be required to establish that he or she has been physically present in the United States for a continuous period beginning not later than December 31, 1995, and ending not earlier than the date the application for such adjustment is filed;

(C) the alien applies for such adjustment and is physically present in the United States on the date the application is filed; and

(D) the alien is otherwise admissible to the United States for permanent residence, except that, in determining such admissibility, the grounds for inadmissibility specified in paragraphs (4), (5), (6)(A), (7)(A), and (9)(B) of section 212(a) of the Immigration and Nationality Act shall not apply.

(2) PROOF OF CONTINUOUS PRESENCE.—For purposes of establishing the period of continuous physical presence referred to in paragraph (1)(B), an alien shall not be considered to have failed to maintain continuous physical presence by reason of an absence, or absences, from the United States for any period or periods amounting in the aggregate to not more than 180 days.

(e) AVAILABILITY OF ADMINISTRATIVE REVIEW.—The Attorney General shall provide to applicants for adjustment of status under subsection (a) the same right to, and procedures for, administrative review as are provided to—

(1) applicants for adjustment of status under section 245 of the Immigration and Nationality Act; or

(2) aliens subject to removal proceedings under section 240 of such Act.

(f) LIMITATION ON JUDICIAL REVIEW.—A determination by the Attorney General as to whether the status of any alien should be adjusted under this section is final and shall not be subject to review by any court.

(g) NO OFFSET IN NUMBER OF VISAS AVAILABLE.—When an alien is granted the status of having been lawfully admitted for permanent resident pursuant to this section, the Secretary of State shall not be required to reduce the number of immigrant visas authorized to be issued under any provision of the Immigration and Nationality Act.

(h) APPLICATION OF IMMIGRATION AND NATIONALITY ACT PROVISIONS.—Except as otherwise specifically provided in this title, the definitions contained in the Immigration and Nationality Act shall apply in the administration of this section. Nothing contained in this title shall be held to repeal, amend, alter, modify, effect, or restrict the powers, duties, functions, or authority of the Attorney General in the administration and enforcement of such Act or any other law relating to immigration, nationality, or naturalization. The fact that an alien may be eligible to be granted the status of having been lawfully admitted for permanent residence under this section shall not preclude the alien from seeking such status under any other provision of law for which the alien may be eligible.

(i) ADJUSTMENT OF STATUS HAS NO EFFECT ON ELIGIBILITY FOR WELFARE AND PUBLIC BENEFITS.—No alien whose status has been adjusted in accordance with this section and who was not a qualified alien on the date of enactment of this Act may, solely on the basis of such adjusted status, be considered to be a qualified alien under section 431(b) of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (8 U.S.C. 1641(b)), as amended by section 5302 of the Balanced Budget Act of 1997 (Public Law 105–33; 111 Stat. 598), for purposes of determining the alien's eligibility for supplemental security income benefits under title XVI of the Social Security Act (42 U.S.C. 1381 et seq.) or medical assistance under title XIX of such Act (42 U.S.C. 1396 et seq.).

(j) PERIOD OF APPLICABILITY.—Subsection (i) shall not apply after October 1, 2003.

SEC. ___03. COLLECTION OF DATA ON DETAINED ASYLUM SEEKERS.

(a) IN GENERAL.—The Attorney General shall regularly collect data on a nation-wide basis with respect to asylum seekers in detention in the United States, including the following information:

(1) The number of detainees.

(2) An identification of the countries of origin of the detainees.

(3) The percentage of each gender within the total number of detainees.

(4) The number of detainees listed by each year of age of the detainees.

(5) The location of each detainee by detention facility.

(6) With respect to each facility where detainees are held, whether the facility is also used to detain criminals and whether any of the detainees are held in the same cells as criminals.

(7) The number and frequency of the transfers of detainees between detention facilities.

(8) The average length of detention and the number of detainees by category of the length of detention.

(9) The rate of release from detention of detainees for each district of the Immigration and Naturalization Service.

(10) A description of the disposition of cases.

(b) ANNUAL REPORTS.—Beginning October 1, 1999, and not later than October 1 of each year thereafter, the Attorney General shall submit to the Committee on the Judiciary of each House of Congress a report setting forth the data collected under subsection (a) for the fiscal year ending September 30 of that year.

(c) AVAILABILITY TO PUBLIC.—Copies of the data collected under subsection (a) shall be made available to members of the public upon request pursuant to such regulations as the Attorney General shall prescribe.

SEC. ___04. COLLECTION OF DATA ON OTHER DETAINED ALIENS.

(a) IN GENERAL.—The Attorney General shall regularly collect data on a nationwide basis on aliens being detained in the United States by the Immigration and Naturalization Service other than the aliens described in section ___03, including the following information:

(1) The number of detainees who are criminal aliens and the number of detainees who are noncriminal aliens who are not seeking asylum.

(2) An identification of the ages, gender, and countries of origin of detainees within each category described in paragraph (1).

(3) The types of facilities, whether facilities of the Immigration and Naturalization Service or other Federal, State, or local facilities, in which each of the categories of detainees described in paragraph (1) are held.

(b) LENGTH OF DETENTION, TRANSFERS, AND DISPOSITIONS.—With respect to detainees who are criminal aliens and detainees who are noncriminal aliens who are not seeking asylum, the Attorney General shall also collect data concerning—

(1) the number and frequency of transfers between detention facilities for each category of detainee;

(2) the average length of detention of each category of detainee;

(3) for each category of detainee, the number of detainees who have been detained for the same length of time, in 3-month increments;

(4) for each category of detainee, the rate of release from detention for each district of the Immigration and Naturalization Service; and

(5) for each category of detainee, the disposition of detention, including whether detention ended due to deportation, release on parole, or any other release.

(c) CRIMINAL ALIENS.—With respect to criminal aliens, the Attorney General shall also collect data concerning—

(1) the number of criminal aliens apprehended under the immigration laws and not detained by the Attorney General; and

(2) a list of crimes committed by criminal aliens after the decision was made not to detain them, to the extent this information can be derived by cross-checking the list of criminal aliens not detained with other databases accessible to the Attorney General.

(d) ANNUAL REPORTS.—Beginning on October 1, 1999, and not later than October 1 of each year thereafter, the Attorney General shall submit to the Committee on the Judiciary of each House of Congress a report setting forth the data collected under subsections (a), (b), and (c) for the fiscal year ending September 30 of that year.

(e) AVAILABILITY TO PUBLIC.—Copies of the data collected under subsections (a), (b), and (c) shall be made available to members of the public upon request pursuant to such regulations as the Attorney General shall prescribe.

LAUTENBERG AMENDMENT NO. 3369

Mr. CAMPBELL (for Mr. LAUTENBERG) proposed an amendment to the bill, 2312, supra; as follows:

At the appropriate place, add the following:

Since during the Nazi occupation of Poland, Oskar Schindler personally risked his life and that of his wife to provide food and medical care and saved the lives of over 1,000 Jews from death, many of whom later made their homes in the United States;

Since Oskar Schindler also rescued about 100 Jewish men and women from the Golezow concentration camp, who lay trapped and partly frozen in 2 sealed train cars stranded near Brunnlitz;

Since millions of Americans have been made aware of the story of Schindler's bravery;

Since on April 28, 1962, Oskar Schindler was named a 'Righteous Gentile' by Yad Vashem; and

Since Oskar Schindler is a true hero and humanitarian deserving of honor by the United States Government;

It is the sense of the Congress that the Postal Service should issue a stamp honoring the life of Oskar Schindler.

SNOWE (AND OTHERS) AMENDMENT NO. 3370

Mr. REID (for Ms. SNOWE for herself, Mr. REID, Ms. MIKULSKI, Ms. MOSELEY-BRAUN, and Mr. SMITH of Oregon) proposed an amendment to the bill, S. 2312, supra; as follows:

At the appropriate place in the bill, insert the following:

SEC. ___. (a) None of the funds appropriated by this Act may be expended by the Office of Personnel Management to enter into or renew any contract under section 8902 of title 5, United States Code, for a health benefits plan—

(1) which provides coverage for prescription drugs, unless such plan also provides equivalent coverage for all prescription contraceptive drugs or devices approved by the Food and Drug Administration, or generic equivalents approved as substitutable by the Food and Drug Administration; or

(2) which provides benefits for outpatient services provided by a health care professional, unless such plan also provides equivalent benefits for outpatient contraceptive services.

(b) Nothing in this section shall apply to a contract with any of the following religious plans:

(1) SelectCare.

(2) PersonalCare's HMO.

(3) Care Choices.

(4) OSF Health Plans, Inc.

(5) Yellowstone Community Health Plan.

(6) And any other existing or future religious based plan whose religious tenets are in conflict with the requirements in this Act.

(c) For purposes of this section—

(1) the term ''contraceptive drug or device'' means a drug or device intended for preventing pregnancy; and

(2) the term ''outpatient contraceptive services'' means consultations, examinations, procedures, and medical services, provided on an outpatient basis and related to the use of contraceptive methods (including natural family planning) to prevent pregnancy.

REID AMENDMENT NO. 3371

Mr. REID proposed an amendment to amendment No. 3370 proposed by Ms. SNOWE to the bill, S. 2312, supra; as follows:

At the end of the amendment, add the following new subsection:

(c) Nothing in this section shall be construed to require coverage of abortion or abortion related services.

DORGAN AMENDMENT NO. 3372

Mr. DORGAN proposed an amendment to the bill, S. 2312, supra; as follows:

SEC. . IMPORTATION OF CERTAIN GRAINS.

(a) FINDINGS.—The Congress finds that—

(1) importation of grains into the United States at less than the cost to produce those grains is causing injury to the United States producers of those grains;

(2) importation of grains into the United States at less than the fair value of those grains is causing injury to the United States producers of those grains;

(3) the Canadian government and the Canadian Wheat Board have refused to disclose pricing and cost information necessary to determine whether grains are being exported to the United States at prices in violation of United States trade laws or agreements.

(b) REQUIREMENTS.—

(1) The Customs Service, consulting with the United States Trade Representative and the Department of Commerce, shall conduct a study of the efficiency and effectiveness of requiring that all spring wheat, durum or barley imported into the United States be imported into the United States through a single port of entry.

(2) The Customs Service, consulting with the United States Trade Representative and the Department of Commerce, shall determine whether such spring wheat, durum and barley could be imported into the United States through a single port of entry until either the Canadian Wheat Board or the Canadian Government discloses all information necessary to determine the cost and price for all such grains being exported to the United States from Canada and whether such cost or price violates any law of the United States, or violates, is inconsistent with, or denies benefits to the United States under, any trade agreement.

(3) The Customs Service shall report to the Committees on Appropriations and Finance not later than ninety days after the effective date of this act on the results of the study required by subsections (1) and (2), above.

WELLSTONE AMENDMENT NO. 3373

Mr. WELLSTONE proposed an amendment to amendment No. 3362 submitted by Mr. FAIRCLOTH to the bill, S. 2312, supra; as follows:

At the end of the amendment insert the following:

SEC. . FAMILY WELL-BEING AND CHILDREN'S IMPACT STATEMENT.

Consideration of any bill or joint resolution of a public character reported by any

committee of the Senate or of the House of Representatives that is accompanied by a committee report that does not contain a detailed analysis of the probable impact of the bill or resolution on family well-being and on children, including whether such bill or joint resolution will increase the number of children who are hungry or homeless, shall not be in order.

HARKIN AMENDMENT NO. 3374

Mr. HARKIN proposed an amendment to amendment No. 3353 proposed by Mr. THOMPSON to the bill, S. 2132, supra; as follows:

Strike out all after ''SEC. 642.'' and insert in lieu thereof the following:

PROHIBITION OF ACQUISITION OF PRODUCTS PRODUCED BY FORCED OR INDENTURED CHILD LABOR.

(a) PROHIBITION.—The head of an executive agency may not acquire an item that appears on a list published under subsection (b) unless the source of the item certifies to the head of the executive agency that forced or indentured child labor was not used to mine, produce, or manufacture the item.

(b) PUBLICATION OF LIST OF PROHIBITED ITEMS.—(1) The Secretary of Labor, in consultation with the Secretary of the Treasury and the Secretary of State, shall publish in the Federal Register every other year a list of items that such officials have identified that have been mined, produced, or manufactured by forced or indentured child labor.

(2) The first list shall be published under paragraph (1) not later than 120 days after the date of the enactment of this Act.

(c) REQUIRED CONTRACT CLAUSES.—(1) The head of an executive agency shall include in each solicitation of offers for a contract for the procurement of an item included on a list published under subsection (b) the following clauses:

(A) A clause that requires the contractor to certify to the contracting officer that the contractor or, in the case of an incorporated contractor, a responsible official of the contractor has made a good faith effort to determine whether forced or indentured child labor was used to mine, produce, or manufacture any item furnished under the contract and that, on the basis of those efforts, the contractor is unaware of any such use of child labor.

(B) A clause that obligates the contractor to cooperate fully to provide access for the head of the executive agency or the inspector general of the executive agency to the contractor's records, documents, persons, or premises if requested by the official for the purpose of determining whether forced or indentured child labor was used to mine, produce, or manufacture any item furnished under the contract.

(2) This subsection applies with respect to acquisitions for a total amount in excess of the micro-purchase threshold (as defined in section 32(f) of the Office of Federal Procurement Policy Act (41 U.S.C. 428(f)), including acquisitions of commercial items for such an amount notwithstanding section 34 of the Office of Federal Procurement Act (41 U.S.C. 430).

(d) INVESTIGATIONS.—Whenever a contracting officer of an executive agency has reason to believe that a contractor has submitted a false certification under subsection (a) or (c)(1)(A) or has failed to provide cooperation in accordance with the obligation imposed pursuant to subsection (c)(1)(B), the head of the executive agency shall refer the matter, for investigation, to the Inspector General of the executive agency and, as the head of the executive agency determines appropriate, to the Attorney General and the Secretary of the Treasury.

(e) REMEDIES.—(1) The head of an executive agency may impose remedies as provided in this subsection in the case of a contractor under a contract of the executive agency if the head of the executive agency finds that the contractor—

(A) has furnished under the contract items that have been mined, produced, or manufactured by forced or indentured child labor or uses forced or indentured child labor in mining, production, or manufacturing operations of the contractor;

(B) has submitted a false certification under subparagraph (A) of subsection (c)(1); or

(C) has failed to provide cooperation in accordance with the obligation imposed pursuant to subparagraph (B) of such subsection.

(2) The head of the executive agency, in the sole discretion of the head of the executive agency, may terminate a contract on the basis of any finding described in paragraph (1).

(3) The head of an executive agency may debar or suspend a contractor from eligibility for Federal contracts on the basis of a finding that the contractor has engaged in an act described in paragraph (1)(A). The period of the debarment or suspension may not exceed three years.

(4) The Administrator of General Services shall include on the List of Parties Excluded from Federal Procurement and Nonprocurement Programs (maintained by the Administrator as described in the Federal Acquisition Regulation) each person that is debarred, suspended, proposed for debarment or suspension, or declared ineligible by the head of an executive agency or the Comptroller General on the basis that the person uses forced or indentured child labor to mine, produce, or manufacture any item.

(5) This subsection shall not be construed to limit the use of other remedies available to the head of an executive agency or any other official of the Federal Government on the basis of a finding described in paragraph (1).

(f) REPORT.—Each year, the Administrator of General Services, with the assistance of the heads of other executive agencies, shall review the actions taken under this section and submit to Congress a report on those actions.

(g) IMPLEMENTATION IN THE FEDERAL ACQUISITION REGULATION.—(1) The Federal Acquisition Regulation shall be revised within 180 days after the date of enactment of this Act—

(A) to provide for the implementation of this section; and

(B) to include the use of forced or indentured child labor in mining, production, or manufacturing as a cause on the lists of causes for debarment and suspension from contracting with executive agencies that are set forth in the regulation.

(2) The revisions of the Federal Acquisition Regulation shall be published in the Federal Register promptly after the final revisions are issued.

(h) EXCEPTION.—(1) This section does not apply to a contract that is for the procurement of any product, or any article, material, or supply contained in a product, that is mined, produced, or manufactured in any foreign country or instrumentality, if—

(A) the foreign country or instrumentality is—

(i) a party to the Agreement on Government Procurement annexed to the WTO Agreement; or

(ii) a party to the North American Free Trade Agreement; and

(B) the contract is of a value that is equal to or greater than the United States threshold specified in the Agreement on Government Procurement annexed to the WTO Agreement or the North American Free Trade Agreement, whichever is applicable.

(2) For purposes of this subsection, the term ''WTO Agreement'' means the Agreement Establishing the World Trade Organization, entered into on April 15, 1994.

(i) APPLICABILITY.—(1) Except as provided in subsection (c)(2), the requirements of this section apply on and after the date determined under subsection (2) to any solicitation that is issued, any unsolicited proposal that is received, and any contract that is entered into by an executive agency pursuant to such a solicitation or proposal on or after this date.

(2) The date referred to is paragraph (1) is the date that is 30 days after the date of the publication of the revisions of the Federal Acquisition Regulation under subsection (g)(2).

BINGAMAN AMENDMENT NO. 3375

Mr. BINGAMAN proposed an amendment to the bill, S. 2132; supra; as follows:

On page 99, between lines 17 and 18, insert the following:

SEC. 8104. Of the amounts appropriated under title IV for the Army, the Navy, and the Air Force, $59,606,000 shall be available for the applied research element within the Dual Use Applications Program, as follows:

(1) Of the amount appropriated for the Army, $20,000,000.

(2) Of the amount appropriated for the Navy, $20,000,000.

(3) Of the amount appropriated for the Air Force, $19,606,000.

BINGAMAN (AND OTHERS) AMENDMENT NO. 3376

Mr. BINGAMAN (for himself, Mr. MURKOWSKI, Mr. TORRICELLI, Mr. BREAUX, Mr. DOMENICI, and Ms. LANDRIEU) proposed an amendment to the bill, S. 2312, supra; as follows:

At the appropriate place in the bill, add the following:

''ADDITIONAL PURCHASES OF OIL FOR THE STRATEGIC PETROLEUM RESERVE

''In response to historically low prices for oil produced domestically and to build national capacity for response to future energy supply emergencies, the Secretary of Energy shall purchase and transport an additional $420,000,000 of oil for the Strategic Petroleum Reserve upon a determination by the President that current market conditions are imperiling domestic oil production from marginal and small producers: *Provided*, That an official budget request for the purchase of oil for the Strategic Petroleum Reserve and including a designation of the entire request as an emergency requirement as defined in the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, is transmitted by the President to the Congress: *Provided further*, That the entire amount in the preceding proviso is designated by the Congress as an emergency requirement pursuant to section 251(b)(2)(A) of such Act.''.

DURBIN (AND OTHERS) AMENDMENT NO. 3377

Mr. CAMPBELL (for Mr. DURBIN, for himself, Mr. KENNEDY, Mr. DODD, Mr. MCCAIN, and Mr. MACK) proposed an amendment to the bill, S. 2312, supra; as follows:

At the appropriate place, insert:

The Senate Find

Find of these 44 million, many are descended from the nearly two million Irish

immigrants who were forced to flee Ireland during the ''Great Hunger'' of 1845–1850;

Find those immigrants dedicated themselves to the development of our nation and contributed immensely to it by helping to build our railroads, our canals, our cities and our schools;

Find 1998 marks the 150th anniversary of the mass immigration of Irish immigrants to America during the Irish Potato Famine;

Find commemorating this tragic but defining episode in the history of American immigration would be deserving of honor by the United States Government:

It is the sense of Congress that the United States Postal Service should issue a stamp honoring the 150th anniversary of Irish immigration to the United States during the Irish Famine of 1845–1850.

BAUCUS (AND OTHERS) AMENDMENT NO. 3378

Mr. BAUCUS (for himself, Mr. JEFFORDS, Mr. ALLARD, Mr. CONRAD, Mr. LEAHY, Mr. DORGAN, Mr. ENZI, Mr. REID, and Mr. BRYAN) proposed an amendment to the bill, S. 2312, supra; as follows:

At the appropriate place, add the following:

SEC. ___. POST OFFICE RELOCATIONS, CLOSINGS, AND CONSOLIDATIONS.

(a) SHORT TITLE.—This section may be cited as the ''Community and Postal Participation Act of 1998''.

(b) GUIDELINES FOR RELOCATION, CLOSING, OR CONSOLIDATION OF POST OFFICES.—Section 404 of title 39, United States Code, is amended by striking subsection (b) and inserting the following:

''(b)(1) Before making a determination under subsection (a)(3) as to the necessity for the relocation, closing, or consolidation of any post office, the Postal Service shall provide adequate notice to persons served by that post office of the intention of the Postal Service to relocate, close, or consolidate that post office not later than 60 days before the proposed date of that relocation, closing, or consolidation.

''(2)(A) The notification under paragraph (1) shall be [in writing, hand delivered or delivered by mail to persons served by that post office, and] published in 1 or more newspapers of general circulation within the zip codes served by that post office.

''(B) The notification under paragraph (1) shall include—

''(i) an identification of the relocation, closing, or consolidation of the post office involved;

''(ii) a summary of the reasons for the relocation, closing, or consolidation; and

''(iii) the proposed date for the relocation, closing, or consolidation.

''(3) Any person served by the post office that is the subject of a notification under paragraph (1) may offer an alternative relocation, consolidation, or closing proposal during the 60-day period beginning on the date on which the notice is provided under paragraph (1).

''(4)(A) At the end of the period specified in paragraph (3), the Postal Service shall make a determination under subsection (a)(3). Before making a final determination, the Postal Service shall conduct a hearing at the request of the community served. Persons served by the post office that is the subject of a notice under paragraph (1) may present oral or written testimony with respect to the relocation, closing, or consolidation of the post office.

''(B) In making a determination as to whether or not to relocate, close, or consolidate a post office, the Postal Service shall consider—

''(i) the extent to which the post office is part of a core downtown business area;

''(ii) any potential effect of the relocation, closing, or consolidation on the community served by the post office;

''(iii) whether the community served by the post office opposes a relocation, closing, or consolidation;

''(iv) any potential effect of the relocation, closing, or consolidation on employees of the Postal Service employed at the post office;

''(v) whether the relocation, closing, or consolidation of the post office is consistent with the policy of the Government under section 101(b) that requires the Postal Service to provide a maximum degree of effective and regular postal services to rural areas, communities, and small towns in which post offices are not self-sustaining;

''(vi) the quantified long-term economic saving to the Postal Service resulting from the relocation, closing, or consolidation;

''(vii) whether postal officials engaged in negotiations with persons served by the post office concerning the proposed relocation, closing, or consolidation;

''(viii) whether management of the post office contributed to a desire to relocate;

''(ix)(I) the adequacy of the existing post office; and

''(II) whether all reasonable alternatives to relocation, closing, or consolidation have been explored; and

''(x) any other factor that the Postal Service determines to be necessary for making a determination whether to relocate, close, or consolidate that post office.

''(5)(A) Any determination of the Postal Service to relocate, close, or consolidate a post office shall be in writing and shall include the findings of the Postal Service with respect to the considerations required to be made under paragraph (4).

''(B) The Postal Service shall respond to all of the alternative proposals described in paragraph (3) in a consolidated report that includes—

''(i) the determination and findings under subparagraph (A); and

''(ii) each alternative proposal and a response by the Postal Service.

''(C) The Postal Service shall make available to the public a copy of the report prepared under subparagraph (B) at the post office that is the subject of the report.

''(6)(A) The Postal Service shall take no action to relocate, close, or consolidate a post office until the applicable date described in subparagraph (B).

''(B) The applicable date specified in this subparagraph is—

''(i) if no appeal is made under paragraph (7), the end of the 60-day period specified in that paragraph; or

''(ii) if an appeal is made under paragraph (7), the date on which a determination is made by the Commission under paragraph (7)(A), but not later than 120 days after the date on which the appeal is made.

''(7)(A) A determination of the Postal Service to relocate, close, or consolidate any post office may be appealed by any person served by that post office to the Postal Rate Commission during the 60-day period beginning on the date on which the report is made available under paragraph (5). The Commission shall review the determination on the basis of the record before the Postal Service in the making of the determination. The Commission shall make a determination based on that review not later than 120 days after appeal is made under this paragraph.

''(B) The Commission shall set aside any determination, findings, and conclusions of the Postal Service that the Commission finds to be—

''(i) arbitrary, capricious, an abuse of discretion, or otherwise not in accordance with the law;

''(ii) without observance of procedure required by law; or

''(iii) unsupported by substantial evidence on the record.

''(C) The Commission may affirm the determination of the Postal Service that is the subject of an appeal under subparagraph (A) or order that the entire matter that is the subject of that appeal be returned for further consideration, but the Commission may not modify the determination of the Postal Service. The Commission may suspend the effectiveness of the determination of the Postal Service until the final disposition of the appeal.

''(D) The provisions of sections 556 and 557, and chapter 7 of title 5 shall not apply to any review carried out by the Commission under this paragraph.

''(E) A determination made by the Commission shall not be subject to judicial review.

''(8) In any case in which a community has in effect procedures to address the relocation, closing, or consolidation of buildings in the community, and the public participation requirements of those procedures are more stringent than those provided in this subsection, the Postal Service shall apply those procedures to the relocation, consolidation, or closing of a post office in that community in lieu of applying the procedures established in this subsection.

''(9) In making a determination to relocate, close, or consolidate any post office, the Postal Service shall comply with any applicable zoning, planning, or land use laws (including building codes and other related laws of State or local public entities, including any zoning authority with jurisdiction over the area in which the post office is located).

''(10) The relocation, closing, or consolidation of any post office under this subsection shall be conducted in accordance with section 110 of the National Historic Preservation Act (16 U.S.C. 470h–2).''.

(c) POLICY STATEMENT.—Section 101(g) of title 39, United States Code, is amended by adding at the end the following: ''In addition to taking into consideration the matters referred to in the preceding sentence, with respect to the creation of any new postal facility, the Postal Service shall consider the potential effects of that facility on the community to be served by that facility and the service provided by any facility in operation at the time that a determination is made whether to plan or build that facility.''.

MCCONNELL (AND OTHERS) AMENDMENT NO. 3379

Mr. MCCONNELL (for himself, Mr. MCCAIN, Mr. BENNETT, and Mr. WARNER) proposed an amendment to the bill, S. 2312, supra; as follows:

At the end of title V, add the following section:

SEC. ___. PROVISIONS FOR STAFF DIRECTOR AND GENERAL COUNSEL OF THE FEDERAL ELECTION COMMISSION.

(a) APPOINTMENT AND TERM OF SERVICE.—

(1) IN GENERAL.—The first sentence of section 306(f)(1) of the Federal Election Campaign Act of 1971 (2 U.S.C. 437c(f)(1)) is amended by striking ''by the Commission'' and inserting ''by an affirmative vote of not less than 4 members of the Commission for a term of 4 years''.

(2) EFFECTIVE DATE.—The amendment made by this subsection shall apply with respect to any individual serving as the staff director or general counsel of the Federal Election Commission on or after January 1, 1999, without regard to whether or not the individual served as staff director or general counsel prior to such date.

(b) TREATMENT OF INDIVIDUALS FILLING VACANCIES; TERMINATION OF AUTHORITY UPON EXPIRATION OF TERM.—Section 306(f)(1) of such Act (2 U.S.C. 437c(f)(1)) is amended by inserting after the first sentence the following: ''An individual appointed as a staff director or general counsel to fill a vacancy occurring other than by the expiration of a term of office shall be appointed only for the unexpired term of the individual whose term is being filled. An individual serving as staff director or general counsel may not serve in such position after the expiration of the individual's term unless reappointed in accordance with this paragraph.''.

(c) RULE OF CONSTRUCTION REGARDING AUTHORITY OF ACTING GENERAL COUNSEL.—Section 306(f) of such Act (2 U.S.C. 437c(f)) is amended by adding at the end the following:

''(5) Nothing in this Act shall be construed to prohibit any individual serving as an acting general counsel of the Commission from performing any functions of the general counsel of the Commission.''.

GLENN (AND OTHERS) AMENDMENT NO. 3380

Mr. GLENN (for himself, Mr. JEFFORDS, Mr. KOHL, Mr. LEVIN, Mr. FEINGOLD, and Mr. DODD) proposed an amendment to the bill, S. 2312, supra; as follows:

On page 44, line 13, insert after ''$33,700,000'' the following: ''(increased by $2,800,000 to be used for enforcement activities)''.

On page 46, line 18, strike ''$5,665,585,000'' and insert ''$5,662,785,000''.

On page 56, line 20, strike ''$5,665,585,000'' and insert ''$5,662,785,000''.

GRAHAM (AND MACK) AMENDMENT NO. 3381

Mr. GRAHAM (for himself and Mr. MACK) proposed an amendment to the bill, S. 2312, supra; as follows:

On page 20, line 16, strike $3,164,399,000'' and insert ''$3,162,399,000.

On page 39, line 10, strike ''$171,007,000'' and insert ''$173,007,000''.

On page 40, line 3, strike '': *Provided*, That funding'' and insert the following: '', and of which $3,000,000 shall be used to continue the recently created Central Florida High Intensity Drug Trafficking Area: *Provided*, That except with respect to the Central Florida High Intensity Drug Trafficking Area, funding''.

WELLSTONE AMENDMENT NO. 3382

Mr. CAMPBELL (for Mr. WELLSTONE) proposed an amendment to the bill, S. 2312, supra; as follows:

On page 104, between lines 21 and 22, insert the following:

SEC. 6___. DESIGNATION OF EUGENE J. MCCARTHY POST OFFICE BUILDING.

(a) IN GENERAL.—The building of the United States Postal Service located at 180 East Kellogg Boulevard in Saint Paul, Minnesota, shall be known and designated as the ''Eugene J. McCarthy Post Office Building''.

(b) REFERENCES.—Any reference in a law, map, regulation, document, paper, or other record of the United States to the building referred to in subsection (a) shall be deemed to be a reference to the ''Eugene J. McCarthy Post Office Building''.

DOMENICI (AND COVERDELL) AMENDMENT NO. 3383

Mr. DOMENICI (for himself and Mr. COVERDELL) proposed an amendment to the bill, S. 2312, supra; as follows:

On page 8, line 11, strike ''$66,251,000'' and insert ''$71,923,000''.

On page 10, line 12, strike ''and related expenses, $15,360,000'' and insert ''new construction, and related expenses, $42,620,000''.

On page 46, line 18, strike ''$5,665,585,000'' and insert ''$5,632,552,000''.

On page 50, line 20, strike ''$668,031,000'' and insert ''$634,998,000''.

On page 50, line 23, strike ''$323,800,000'' and insert ''$309,499,000''.

On page 52, line 13, strike ''$344,236,000'' and insert ''$311,203,000''.

On page 56, line 20, strike ''$5,665,585,000'' and insert ''$5,632,552,000''.

On page 45, line 21, strike ''$508,752,000'' and insert ''S475,719,000''.

DOMENICI (AND OTHERS) AMENDMENT NO. 3384

Mr. DOMENICI (for himself, Mr. COVERDELL, Mr. BINGAMAN, and Mr. CLELAND) proposed an amendment to the bill, S. 2312, supra; as follows:

At the end of the bill add the following new section:

''SEC. . Within the amounts appropriated in this Act, up to $20.3 million may be transferred to the Acquisition, Construction, Improvements, and Related Expenses account of the Federal Law Enforcement Training Center for new construction.''

STEVENS AMENDMENT NO. 3385

Mr. STEVENS proposed an amendment to the bill, S. 2312, supra; as follows:

At the appropriate place, insert the following:

SEC. ___. AVERAGE PAY DETERMINATION OF CERTAIN FEDERAL OFFICERS AND EMPLOYEES.

(a) CIVIL SERVICE RETIREMENT SYSTEM.—

(1) IN GENERAL.—Chapter 83 of title 5, United States Code, is amended by inserting after section 8339 the following:

''§ 8339a. Average pay determination in certain years

''(a) For purposes of this section the term 'covered position' means—

''(1) any position for which pay is adjusted by statute whenever an adjustment takes effect under section 5303 (or any statute relating to cost-of-living adjustments in statutory pay systems in effect before the effective date of section 101 of the Federal Employees Pay Comparability Act of 1990 (Public Law 101–509; 104 Stat. 1429)); or

''(2) any position for which pay is adjusted by rule, practice, or order based on an adjustment in the pay of a position described under paragraph (1).

''(b) Subject to subsection (d), for purposes of determining the average pay of an employee or Member, the basic pay of the employee or Member during a year described under subsection (c) shall be deemed to be the basic pay paid at the actual rate of pay adjusted by the same percentage as any cost-of-living adjustment of annuities under section 8340 which took effect during such year, on the date such cost-of-living adjustment took effect.

''(c) Subsection (b) refers to any year in which—

''(1) any cost-of-living adjustment of annuities under section 8340 took effect; and

''(2) the applicable employee or Member serving in a covered position did not receive an adjustment in pay described under subsection (a) (1) or (2) because a statute provided that such adjustment would not take effect with respect to a covered position described under subsection (a) (1).

''(d) Average pay shall be determined under this section, if the applicable employee or Member, or the survivor of such employee or Member, deposits to the credit of the Fund an amount equal to the difference between the amount deducted from the basic pay of the employee or Member during the period of service in a covered position and the amount which would have been deducted during such period if the rate of basic pay had been adjusted as provided under subsections (b) and (c), plus interest as computed under section 8334(e).''.

(2) TECHNICAL AND CONFORMING AMENDMENT.—The table of sections for chapter 83 of title 5, United States Code, is amended by inserting after the item relating to section 8339 the following:

''8339a. Average pay determination in certain years.''.

(b) FEDERAL EMPLOYEES RETIREMENT SYSTEM.—

(1) IN GENERAL.—Chapter 84 of title 5, United States Code, is amended by inserting after section 8415 the following:

''§ 8415a. Average pay determination in certain years

''(a) For purposes of this section the term 'covered position' means—

''(1) any position for which pay is adjusted by statute whenever an adjustment takes effect under section 5303 (or any statute relating to cost-of-living adjustments in statutory pay systems in effect before the effective date of section 101 of the Federal Employees Pay Comparability Act of 1990 (Public Law 101–509; 104 Stat. 1429)); or

''(2) any position for which pay is adjusted by rule, practice, or order based on an adjustment in the pay of a position described under paragraph (1).

''(b) Subject to subsection (d), for purposes of determining the average pay of an employee or Member, the basic pay of the employee or Member during a year described under subsection (c) shall be deemed to be the basic pay paid at the actual rate of pay adjusted by the same percentage as any cost-of-living adjustment of annuities under section 8462 which took effect during such year, on the date such cost-of-living adjustment took effect.

''(c) Subsection (b) refers to any year in which—

''(1) any cost-of-living adjustment of annuities under section 8462 took effect; and

''(2) the applicable employee or Member serving in a covered position did not receive an adjustment in pay described under subsection (a) (1) or (2) because a statute provided that such adjustment would not take effect with respect to a covered position described under subsection (a) (1).

''(d) Average pay shall be determined under this section, if the applicable employee or Member, or the survivor of such employee or Member, deposits to the credit of the Fund an amount equal to the difference between the amount deducted from the basic pay of the employee or Member during the period of service in a covered position and the amount which would have been deducted during such period if the rate of basic pay had been adjusted as provided under subsections (b) and (c), plus interest as computed under section 8334(e).''.

(2) TECHNICAL AND CONFORMING AMENDMENT.—The table of sections for chapter 84 of title 5, United States Code, is amended by inserting after the item relating to section 8415 the following:

''8415a. Average pay determination in certain years.''

(c) EFFECTIVE DATE.—This section shall take effect on January 2, 1999, and shall apply only to any annuity commencing on or after such date.

GRASSLEY (AND OTHERS) AMENDMENT NO. 3386

Mr. CAMPBELL (for Mr. GRASSLEY for himself, Mr. D'AMATO, Mr. SESSIONS, Mr. STEVENS, and Mr. GRAMS) proposed an amendment to the bill, S. 2312, supra; as follows:

At the appropriate place, insert the following:

SEC. ___. (a) DEFINITIONS.—In this section—

(1) the term ''crime of violence'' has the meaning given that term in section 16 of title 18, United States Code; and

(2) the term ''law enforcement officer'' means any employee described in subparagraph (A), (B), or (C) of section 8401(17) of title 5, United States Code; and any special agent in the Diplomatic Security Service of the Department of State.

(b) RULE OF CONSTRUCTION.—Notwithstanding any other provision of law, for purposes of chapter 171 of title 28, United States Code, or any other provision of law relating to tort liability, a law enforcement officer shall be construed to be acting within the scope of his or her office or employment, if the officer takes reasonable action, including the use of force, to—

(1) protect an individual in the presence of the officer from a crime of violence;

(2) provide immediate assistance to an individual who has suffered or who is threatened with bodily harm; or

(3) prevent the escape of any individual who the officer reasonably believes to have committed in the presence of the officer a crime of violence.

HARKIN (AND MURRAY) AMENDMENT NO. 3387

Mr. HARKIN (for himself and Mrs. MURRAY) proposed an amendment to the bill, S. 2312, supra; as follows:

At the appropriate place in the bill and the following:

On page 39, strike lines 10 through 12 and insert in lieu thereof the following: ''Area Program, $179,007,000 for drug control activities consistent with the approved strategy for each of the designated High Intensity Drug Trafficking Areas, of which $8,000,000 shall be used for methamphetamine programs above the sums allocated in fiscal year 1998 and otherwise provided for in this legislation with no less than half of the $8,000,000 going to areas solely dedicated to fighting methamphetamine usage, and in addition no less than $1,000,000 of the $8,000,000 shall be allocated to the Cascade High Intensity Drug Trafficking Area, of which''.

Amend page 50, line 20 by reducing the dollar figure by $8,000,000.

Amend page 52, line 13 by reducing the dollar figure by $8,000,000.

CAMBELL (AND KOHL) AMENDMENT NO. 3388

Mr. CAMPBELL (for himself and Mr. KOHL) proposed an amendment to the bill, S. 2312, supra; as follows:

At the appropriate place, strike and insert the following:

On page 10, line 14, strike through page 10, line 20.

On page 17, line 7, strike ''98,488,000,'' and insert in lieu thereof ''113,488,000,''.

On page 17, line 20, strike ''1999.'' and insert in lieu thereof ''1999: *Provided further*, That of the amount provided, $15,000,000 shall be made available for drug interdiction activities in South Florida and the Caribean.''.

On page 39, line 10 strike ''171,007,000'' and insert in lieu thereof ''183,977,000''.

On page 39, line 19 after ''criteria,'' insert ''and of which $3,000,000 shall be used to continue the recently created Central Florida High Intensity Drug Trafficking Area, and of which $1,970,000 shall be used for the addition of North Dakota into the Midwest High Intensity Drug Trafficking Area, and of which $7,000,000 shall be used for methamphetamine programs otherwise provided for in this legislation with not less than half of the $7,000,000 shall expand the Midwest High Intensity Drug Trafficking Area, and of which $1,000,000 shall be used to expand the Cascade High Intensity Drug Trafficking Area, and of which $1,500,000 shall be provided to the Southwest Border High Intensity Drug Trafficking Area,''.

KERRY AMENDMENT NO. 3389

Mr. KOHL (for Mr. KERREY) proposed an amendment to the bill, S. 2312, supra; as follows:

At the appropriate place insert the following:

SECTION 1. SENSE OF THE SENATE REGARDING THE REDUCTION OF PAYROLL TAXES.

(a) FINDINGS.—The Senate finds the following:

(1) The payroll tax under the Federal Insurance Contributions Act (FICA) is the biggest, most regressive tax paid by working families.

(2) The payroll tax constitutes a 15.3 percent tax burden on the wages and self-employment income of each American, with 12.4 percent of the payroll tax used to pay social security benefits to current beneficiaries and 2.9 percent used to pay the medicare benefits of current beneficiaries.

(3) The amount of wages and self-employment income subject to the social security portion of the payroll tax is capped at $68,400. Therefore, the lower a family's income, the more they pay in payroll tax as a percentage of income. The Congressional Budget Office has estimated that for those families who pay payroll taxes, 80 percent pay more in payroll taxes than in income taxes.

(4) In 1996, the median household income was $35,492, and a family earning that amount and taking standard deductions and exemptions paid $2,719 in Federal income tax, but lost $5,430 in income to the payroll tax.

(5) Ownership of wealth is essential for everyone to have a shot at the American dream, but the payroll tax is the principal burden to savings and wealth creation for working families.

(6) Since 1983, the payroll tax has been higher than necessary to pay current benefits.

(7) Since most of the payroll tax receipts are deposited in the social security trust funds, which masks the real amount of Government borrowing, those whom the payroll tax hits hardest, working families, have shouldered a disproportionate share of the Federal budget deficit reduction and, therefore, a disproportionate share of the creation of the Federal budget surplus.

(8) Over the next 10 years, the Federal Government will generate a budget surplus of $1,550,000,000,000, and all but $32,000,000,000 of that surplus will be generated by excess payroll taxes.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that—

(1) if Congress decides to use the Federal budget surplus to provide tax relief the payroll tax should be reduced first; and

(2) Congress and the President should work to reduce this tax which burdens American families.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

Mr. CAMPBELL. Mr. President, I ask unanimous consent that the Committee on Agriculture, Nutrition, and Forestry be allowed to meet during the session of the Senate on Wednesday, July 29, 1998. The purpose of this meeting will be to examine USDA downsizing and consolidated efforts.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS

Mr. CAMPBELL. Mr. President, I ask unanimous consent that the Committee on Banking, Housing, and Urban Affairs be authorized to meet in executive session during the session of the Senate on Wednesday, July 29, 1998, to conduct a mark-up of S. 1405, the ''Financial Regulatory Relief and Economic Efficiency Act of 1997''.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

Mr. CAMPBELL. Mr. President, I ask unanimous consent that the Senate Committee on Commerce, Science, and Transportation be authorized to meet on Wednesday, July 29, 1998, at 9:30 a.m. on pending committee business.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. CAMPBELL. Mr. President, I ask unanimous consent that the Committee on Energy and Natural Resources be granted permission to conduct a Business Meeting during the session of the Senate on Wednesday, July 29 in Room SD–366.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. CAMPBELL. Mr. President, I ask unanimous consent that the Committee on Energy and Natural Resources be granted permission to meet during the session of the Senate on Wednesday, July 29 for purposes of conducting a Full Committee business meeting which is scheduled to begin at 9:30 a.m. The purpose of this business meeting is to consider pending calendar business.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ENVIRONMENT AND PUBLIC WORKER

Mr. CAMPBELL. Mr. President, I ask unanimous consent that the full Committee on Environment and Public Works be granted permission to meet to consider pending business Wednesday, July 29, at 9:30 a.m., Hearing Room (SD–406).

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON INDIAN AFFAIRS

Mr. CAMPBELL. Mr. President, I ask unanimous consent that the Senate Committee on Indian Affairs be authorized to meet during the session of the

Senate on Wednesday, July 29, 1998 at 9:30 a.m. to conduct a business meeting to consider the following pending business of the Committee: S. 1905, A bill to Compensate the Cheyenne River Sioux Tribe, and for Other Purposes; S. 391, To Provide for the Distribution of Certain Judgment Funds to the Mississippi Sioux Tribe of Indians, and for Other Purposes; and S. 1770, To Elevate the Position of the Director of the Indian Health Service to Assistant Secretary for Health and Human Services. The Business Meeting will be held in room 485 of the Russell Senate Office Building.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON INDIAN AFFAIRS

Mr. CAMPBELL. Mr. President, I ask unanimous consent that the Senate Committe on Indian Affairs be authorized to meet during the session of the Senate on Wednesday, July 29, 1998 at 2:00 p.m. to conduct a business meeting to consider the following pending business of the Committee: S. 1905, A Bill to Compensate the Cheyenne River Sioux Tribe, and for Other Purposes; H.R. 3069, A Bill to Extend the Advisory Council on California Indian Policy to allow the Advisory Council to advise Congress on the implementation of the proposals and recommendations of the Advisory Council; S. 1770, To Elevate the Position of the Director of the Indian Health Service to Assistant Secretary for Health and Human Services; S. 391, To Provide for the Distribution of Certain Judgment Funds to the Mississippi Sioux Tribe of Indians, and for Other Purposes; and S. 1419, A Bill to deem the activities of the Miccosukee Tribe on the Tamiani Indian Reserve to be consistent with the purposes of the Everglades National Park, and for other purposes.

The Business Meeting will be held in room 485 of the Russell Senate Office Building.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON THE JUDICIARY

Mr. CAMPBELL. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on Wednesday, July 29, 1998 at 9:30 a.m. in room 226 of the Senate Hart Office Building to hold a hearing on: ''S. 1554, Fairness in Punitive Damages Awards Act.''

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON LABOR AND HUMAN RESOURCER

Mr. CAMPBELL. Mr. President, I ask unanimous consent that the Committee on Labor and Human Resources be authorized to meet in executive session during the session of the Senate on Wednesday, July 29, 1998, at 9:30 a.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON RULES AND ADMINISTRATION

Mr. CAMPBELL. Mr. President, I ask unanimous consent that the Committee on Rules and Administration be authorized to meet during the session of the Senate on Wednesday, July 29, 1998 at 9:30 a.m. to hold a hearing on S. 2288, the Wendell H. Ford Government Publication Reform Act of 1998.

The PRESIDING OFFICER. Without objection, it is so ordered.

SELECT COMMITTEE ON INTELLIGENCE

Mr. CAMPBELL. Mr. President, I ask unanimous consent that the Select Committee on Intelligence be authorized to meet during the session of the Senate on Wednesday, July 29, 1998 at 10 a.m. and 2:30 p.m. to hold a closed hearing on Intelligence matters.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON IMMIGRATION

Mr. CAMPBELL. Mr. President, I ask unanimous consent that the Subcommittee on Immigration, of the Senate Judiciary Committee be authorized to meet during the session of the Senate on Wednesday, July 29, 1998 at 2 p.m. to hold a hearing in room 226, Senate Dirksen Building, on ''INS Reform: The Enforcement Side.''

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON INTERNATIONAL SECURITY

Mr. CAMPBELL. Mr. President, I ask unanimous consent to behalf of the Government Affairs Subcommittee on International Security, Proliferation, and Federal Services to meet on Wednesday, July 29, 1998 at 2 p.m. for a hearing on ''An Industry View of the Satellite Export Licensing Process.''

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON SOCIAL SECURITY

Mr. CAMPBELL. Mr. President, the Finance Committee on Social Security and Family Policy requests unanimous consent to conduct a hearing on Wednesday, July 29, 1998 beginning at 2 p.m. in room 215 Dirksen.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

CONGRATULATIONS TO MILLIE BEEM CELEBRATING HER 80th BIRTHDAY

• Mr. ASHCROFT. Mr. President, I rise today to encourage my colleagues to join me in congratulating Ms. Millie Beem of Springfield, Missouri, who will celebrate her 80th birthday on August 2, 1998. Millie is truly a remarkable individual. She has witnessed many of the events that have shaped our Nation into the greatest the world has ever known. The longevity of Millie's life has meant much more, however, to the many relatives and friends whose lives she has touched over the last eighty years.

Millie's celebration of eighty years of life is a testament to me and all Missourians. Her achievements are significant and deserve to be recognized. I would like to join Millie's many friends and relatives in wishing her health and happiness in the future.•

250th ANNIVERSARY OF FREDERICK COUNTY, MARYLAND

• Mr. SARBANES. Mr. President, I rise today to commemorate the 250th anniversary of Frederick County, Maryland. Throughout Maryland's glorious history, Frederick County and her sons and daughters have played a critical role in our State's quest for freedom and progress. From the very founding of our nation, Frederick Countians have proudly and resolutely upheld the principles and beliefs which are the basis of our democratic system of self government.

This strong commitment to freedom was evident among the English and German immigrants who first settled in Frederick County. They were extremely appreciative of the freedoms they found in this ''New World'' and zealous in their dedication to protecting them. One such individual was Francis Scott Key, the lawyer and poet who, watching the bombardment of Ft. McHenry from a British cartel ship off Sparrow's Point in Baltimore's harbor, penned the words that subsequently became memorialized as our National Anthem.

What many may not know is that the eloquent author of the Star Spangled Banner was born in Frederick City, which celebrated its own 250th birthday in 1995. Francis Scott Key was detained on the British ship in 1814 while attempting to secure the release of Dr. William Beanes of Upper Marlboro who had been arrested. In the early morning of September 14, 1814, during the Battle of Baltimore, Key, overcome with pride from his unique vantage point, wrote the words that captured the essence of our national struggle for independence.

Frederick County is also the seat of some of our State's most tumultuous historic incidents. When the British passed the Stamp Act in 1785 requiring colonists to purchase stamps for all legal and commercial documents, twelve Frederick County judges resolved to reject the Stamp Act, and approved the use of unstamped documents. This bold maneuver is believed to be the first recorded act of rebellion in the colonies.

It was in Frederick County that the Maryland legislature held the momentous vote on secession. The vote was held in this venue in response to a personal request from President Lincoln in the hope that Marylanders from the southern part of the State would not be able to attend, therefore guaranteeing that Maryland remain in the Union. Although the strategy was successful, the narrow vote sent reverberations throughout the State and there were skirmishes at towns along the Potomac. While the resulting Confederate occupation of parts of Frederick County was relatively peaceful, this event was the immediate precursor to the Battle of Antietam, the bloodiest day of fighting in any American war.

A local anecdote, which serves as a testament to the tremendous dedication of these citizens, claims that on

the day that General Jackson's troops were marching out of Frederick to Antietam, a Union flag was seen hanging from the home of Barbara Fritchie, a 95 year old widow known for her spirited nature, who risked injury and death by hanging from her window after shots were fired, flag in hand, shouting, ''Shoot, if you must, this old gray head, but spare your country's flag.''

Another significant event has its beginnings here, as it was from the City of Frederick that Lewis and Clark launched their exploration of the American West. In July, 1803, these two explorers set out from the Hessian Barracks in Frederick Town into uncharted territories. These events further illustrate Frederick County's position at the symbolic crossroads of history, and it is here that we find Maryland's true roots firmly in place. Frederick County is at a literal crossroads as well due to the construction of the B&O Railroad in the early 1800's and the location of the C&O canal. These two modes of transportation opened up major corridors from and to the east, laying the groundwork for a tradition of jobs, industry and trade.

From this lasting spirit of community interdependence and unity comes many of Frederick's modern landmarks. Frederick County is home to Ft. Detrick, crucial to the creation of new jobs and economic development in the region, and to the National Fallen Firefighters memorial in Emmitsburg. In recent years, Frederick County has been a leader in developing new economic growth and opportunities for our State and has attracted innovative technology companies to its pleasant surroundings.

The City of Frederick, the County Seat, is the second largest city in Maryland, yet it maintains its small town charm and sense of community that reflects the civil congeniality that has always defined Frederick, both in its rich history and its contemporary success. The contribution of Francis Scott Key to our nation has been complemented over the decades by other distinguished citizens of this county. Most recently, many of us in the Senate were privileged to count as a colleague the extremely distinguished Senator from Maryland and native son of Frederick, Charles Mac Mathias. The intellectual and personal integrity which Senator Mathias brought to this body in service to the nation is exemplary of the spirit of his fellow Frederick Countians.

The activities that have been planned in celebration of this auspicious anniversary exemplify the deep devotion of Frederick residents to their county. I join these citizens in sharing their pride in Frederick's past and their optimism for continued achievement. I urge my colleagues to visit this lovely location in the heart of Maryland and explore this renowned resource.●

TRIBUTE TO LOUIS TAYLOR

● Mr. BOND. Mr. President, I rise today to pay tribute to Louis Taylor who has provided great service to the Committee on Small Business, the U.S. Senate and to me personally. Louis Taylor is stepping down this week as Chief Counsel and Staff Director of the Senate Committee on Small Business. When I became chairman of the Committee on Small Business in January 1995, one of my first actions was to hire Louis. For the past 3½ years, Louis has provided outstanding leadership to the staff on the Committee on Small Business and he has been instrumental in support of my efforts to transform the committee so that it is the eyes, ears, and voice in the U.S. Senate for small businesses.

In his tenure on the Committee on Small Business, Louis Taylor played a significant role in crafting important pieces of legislation to help small businesses. Two such legislative accomplishments stand out among the numerous bills that originated from the Committee on Small Business and were enacted into law—the HUBZone Act of 1997 and the Small Business Regulatory Enforcement Fairness Act of 1996, also known as the Red-Tape Reduction Act. The HUBZone program expands the opportunity for small businesses in economically distressed areas to compete for Federal contracts, bringing jobs and new investments to inner cities and poor rural areas. The Red-Tape Reduction Act established safeguards to improve the Government's regulatory fairness to small businesses and established an independent ombudsman and regional citizen review boards to give small businesses a voice in evaluating Federal agency actions. Without Louis Taylor's contributions, the ultimate enactment of these important statutes would surely have been much more difficult.

In addition to these impressive legislative achievements, Louis Taylor played an integral role in ensuring that the Committee on Small Business capitalized on its expansive oversight jurisdiction to be a strong advocate for small business in the U.S. Senate. On those issues where the committee did not have legislative jurisdiction, Louis Taylor helped me guide the committee in its efforts to call attention to the impact such issues have on small business. For example, using its oversight jurisdiction, the committee was successful in including a number of small business provisions in the IRS Restructuring and Reform Act of 1998, which was signed into law last week. These changes to the structure of the IRS and improved taxpayer rights will help small business owners to resolve tax problems more efficiently while providing them with the service and respect that they deserve from the agency. The committee has also been extremely active in ensuring regulatory fairness for small businesses and women-owned businesses, in particular. Perhaps the provision that will have the broadest impact, however, is the provision of 100 percent deductibility for health insurance for the self-employed and their families. This measure ultimately will make health insurance more affordable for 5 million Americans who do not carry it now.

In conclusion, the entire committee and I certainly will miss Louis Taylor as he moves on to other endeavors, but the contributions that he has made and the leadership he has given to the Committee on Small Business are greatly appreciated and will not be soon forgotten.●

150TH PHINEAS GAGE ANNIVERSARY CELEBRATION, CAVENDISH, VERMONT

● Mr. LEAHY: Mr. President, on September 13, 1998, the town of Cavendish, Vermont will be holding a very special event to commemorate the remarkable life of Phineas Gage. Phineas Gage was the victim of a freak head injury that occurred in Cavendish, and the effect his injury had on his personality resulted in a breakthrough in the understanding of brain function.

To commemorate the 150th anniversary of Phineas Gage's accident, the town of Cavendish has planned a two-day celebration. A beautiful town in southern Vermont, lying on the original tracks of the Rutland-Burlington railroad, Cavendish has initiated and organized the Gage celebration. At the heart of the commemoration events will be a historic festival in the Cavendish town center. The festival will include tours along the historic railway, artifact displays, including the first public display of Gage's skull and tamping rod, and Vermont artisan and craft demonstrations.

The residents of Cavendish citizens are to be commended for their leadership and hard work in planning these events.

To more fully explain the events of September 13, 1848, and the importance of this day for medical history, at the conclusion of my remarks and those of my colleague from Vermont, I ask that the story of Phineas Gage provided by the town of Cavendish be printed in the RECORD.

Mr. JEFFORDS. Mr. President, I join my colleague from Vermont in recognizing September 13th as the 150th Anniversary of Phineas Gage's accident in Cavendish, VT. Gage was clearing away boulders for a new rail line in the town of Cavendish, population 1300, when an explosion sent his tamping rod passing through his skull and landing 30 yards away. It initially appeared that Gage had survived the accident without long term effects. However, soon after the accident, it became apparent that his emotional stability and good attitude had changed forever offering insight into the effects of the frontal lobe brain damage on mental function.

Earlier this year,Vermont Governor Howard Dean signed a proclamation declaring September 13, 1998 as Phineas

Gage 150th Anniversary Commemoration Day. On this day, accompanying the historic festival, Cavendish will host the John Martyn Harlow Frontal Lobe Symposium. John Harlow, Gage's doctor, carefully documented Gage's accident and recovery, providing early insight into frontal lobe brain damage. The symposium will draw experts and scholars from around the globe to reexamine the Gage case, and apply modern technology to better understand the connection between brain damage and personality change.

I join my colleague from Vermont in commending the residents of Cavendish for bringing together their town, the state of Vermont, and the international neurological community to celebrate this Vermont legend and the medical breakthrough surrounding his life.

The story follows:

THE STORY OF PHINEAS GAGE'S ACCIDENT

Phineas Gage is one of the most famous patients in medical history and probably the most famous patient to have survived severe damage to the brain. He is also the first patient from whom we have learned something about the relationship between personality and the function of the frontal lobe of the brain.

Gage was the foreman in a railway construction gang working for the contractors preparing the bed for the Rutland and Burlington Railroad just outside of Cavendish (Vermont). On September 13, 1848, an accidental explosion of a charge he had set blew his tamping iron through the left side of his skull. The tamping iron, a crowbar-like tool, was 3 feet 7 inches long, weighed 13½ pounds, and was 1¼ inches in diameter at one end, tapering over a distance of about 1 foot to a diameter of ¼ inch at the other end.

The tamping iron went point first under his left cheek bone and out through the top of his head, landing about 25 to 30 yards behind him. Gage was knocked over but may not have lost consciousness according to historic accounts even though most of the left frontal lobe was destroyed. He was treated by Dr. John Harlow, the Cavendish physician, with such skill that Gage returned to his home in Lebanon, NH, 10 weeks later.

Seven months later, Gage felt strong enough to resume work. But because his personality had changed so much, the contractors who had employed him would not return him to his former position. Before the accident, he had been their most capable and efficient foreman, one with a well-balanced mind and a shrewd business sense. He was not fitful, irreverent, and grossly profane, showing little deference for his men. He was impatient and obstinate, yet capricious and vacillating, unable to settle on any of the plans he devised for future action. His friends said he was, ''No longer Gage.''

Phineas Gage never worked at the level of a foreman again. He held a number of odd jobs according to Dr. Harlow's 1868 account. He appeared at Barnum's Museum in New York, worked in the livery stable of the Darmouth Inn (Hanover, NH) and drove coaches and cared for horses in Chile. In about 1859, after his health began to fail, he went to San Francisco to live with his mother. He began to have epileptic seizures in February 1860 and died on May 21, 1860.

No studies of Phineas Gage's brain were made post mortem. Late in 1867, his body was exhumed from its grave in San Francisco's Lone Mountain Cemetery. Phineas' skull and the famous tamping iron were delivered by his brother-in-law to Dr. Harlow (who was at that time, living in Woburn, MA). Harlow reported his findings, including his estimate of the brain damage, in 1868. He donated the skull and tamping iron for preservation to the Warren Museum in the Harvard University School of Medicine where they are still on display, and still studied.

The case created a good deal of interest in both medical and lay circles at the time (which continues to this day). Phineas survived a horrendous injury. His case began to have a profound influence on the science of localization of brain function. For nearly 20 years knowledge of the profound change that occurred to Gage's personality was not widely disseminated. It was true that he was physically unchanged except for the obvious scars and that his mental capacity was also unchanged. Without knowing about the personality difference, most people thought he had survived totally intact. His case was therefore used as evidence against the doctrine that any functions were localized in the brain, especially against the phrenological version of it. Later it was also used as negative evidence in the medical debates regarding aphasia and frontal lobe function. The real story was publicized after 1868 by David Ferrier, the notable English doctor and physiological research worker. Even now, 150 years after the fateful accident, the case continues to generate controversy.●

CONGRESSIONAL BUDGET OFFICE COST ESTIMATE FOR H.R. 1151

● Mr. D'AMATO. Mr. President, I ask that the Congressional Budget Office Cost Estimate for H.R. 1151, the Credit Union Membership Access Act, be printed in the RECORD. The Senate completed action on H.R. 1151 on July 28, 1998.

The cost estimate follows:

CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

H.R. 1151—CREDIT UNION MEMBERSHIP ACCESS ACT

Summary: H.R. 1151 would establish new guidelines governing eligibility for membership in credit unions; establish a framework of safety and soundness regulations for credit unions consistent with that for banks and savings and loans; and allow the National Credit Union Administration (NCUA) to increase assessments that credit unions pay into the National Credit Union Share Insurance Fund (NCUSIF) and to increase the normal operating balance of the fund. CBO estimates that implementing the act would increase net assessments paid to the NCUSIF BY $510 million over the 1999–2003 period, thereby reducing net outlays by that amount. The Joint Committee on Taxation (JCT) estimates that enacting H.R. 1151 would lead to a shift of deposits from financial institutions that pay federal income taxes to credit unions, which are not subject to federal income tax, resulting in revenue losses to the federal government totaling $143 million through 2003.

Because H.R. 1151 would affect both revenues and direct spending, it would be subject to pay-as-you-go procedures. H.R. 1151 contains intergovernmental mandates as defined in the Unfunded Mandates Reform Act (UMRA) because it would, in certain circumstances, preempt state laws regulating credit unions. CBO estimates that the cost of such mandates would be minimal. Other impacts on states would also not be significant. H.R. 1151 would not impose mandates or have other budgetary impacts on local or tribal governments.

H.R. 1151 would impose new private-sector mandates, as defined by UMRA, on federally insured credit unions. CBO estimates that the cost of those mandates would not exceed the statutory threshold established in UMRA ($100 million in one year, adjusted annually for inflation). Other provisions of the bill would benefit some credit unions by reversing the effects of a recent Supreme Court Decision, thus allowing federal credit unions to organize with members from unrelated occupational groups.

DESCRIPTION OF MAJOR PROVISIONS

H.R. 1151 would overturn a February 1998 supreme Court decision in *National Credit Union Administration* v. *First National Bank & Trust Co., et al.,* which—in the absence of legislation such as this—will tighten the limitations on membership in credit unions. The case dealt with a challenge to the NCUA's interpretation of section 109 of the Federal Credit Union Act, which requires that membership in federal credit unions be limited to groups having a common bond of occupation or association, or to groups within a well-defined neighborhood or community. The NCUA ruled in 1982 that a single credit union could serve employees of multiple employers even though not all employers were engaged in the same industrial activity. The Supreme Court has now determined that the NCUA's interpretation was invalid.

This legislation would amend the Federal Credit Union Act to allow federal credit unions to accept members from unrelated groups—thus forming multiple common bonds—in addition to the current permissible categories of single common bond and community credit unions. The act would grandfather membership status for members of existing credit unions and allow credit unions to solicit members from unrelated groups of up to 3,000 persons.

Other provisions of the act would: establish new procedures for taking prompt corrective action regarding a troubled credit union and specify capital levels for credit unions, which would be equal to the standards that the banking and thrift regulators now require; require the NCUA to develop risk-based requirements for determining the net worth of certain credit unions that the NCUA determines to be ''complex;'' change the method for calculating the ratio of NCUSIF balances to total credit union deposits; specify a range (between 1.3 percent and 1.5 percent of insured deposits) for the normal balance of the insurance fund; assessments would be triggered if the fund balance falls below 1.2 percent; require an independent financial audit for all credit unions with total assets of $500,000 or more; limit the total volume of commercial loans that can be made by a credit union to the lesser of 1.75 times the actual capital level of the credit union or to 1.75 times the capital level of a well-capitalized credit union with the same amount of assets; require credit unions to serve members of ''modest means,'' and require the NCUA to monitor the lending record of credit unions to ensure compliance with this provision; require the NCUA and the other federal banking agencies to review certain rules and regulations with the goal of streamlining and modifying them, as appropriate, to reduce paperwork and unnecessary costs for insured depository institutions; require the Secretary of the Treasury to prepare several reports, including a study of the difference between credit unions and other financial institutions that are federally insured, and a study outlining recommendations for legislative and administrative actions that would reduce and simplify the tax burden on small insured depository institutions; and simplify the rules allowing credit unions to convert to another insured institution and limit the economic

benefit that senior officials of a credit union could gain when converting a credit union to a mutual institution.

Estimated cost to the Federal Government: The estimated budgetary impact of H.R. 1151 is shown in the following table. Over the 1999–2003 period, CBO estimates that net collections of the NCUSIF would increase by about $510 million. The JCT estimates that federal revenues would decline by $6 million in 1999 and $143 million over the 1999–2003 period. The outlay effects of this legislation fall within budget function 370 (commerce and housing credit).

[By fiscal year, in million of dollars]

	1998	1999	2000	2001	2002	2003
DIRECT SPENDING						
NCUA spending under current law:						
Estimated budget authority	0	0	0	0	0	0
Estimated outlays	−182	−145	−117	−116	−120	−123
Proposed changes:						
Estimated budget authority	0	0	0	0	0	0
Estimated outlays [1]	0	−93	−113	−110	−99	−94
NCUA spending under H.R. 1151:						
Estimated budget authority	0	0	0	0	0	0
Estimated outlays	−182	−238	−230	−226	−219	−217
CHANGES IN REVENUES						
Estimated revenues [2]	0	−6	−16	−27	−40	−54

[1] These amounts exclude changes in NCUA interest income from intragovernmental payments that have no net budgetary impact.
[2] A negative sign indicates a decrease in revenues.

Basis of estimate: For purposes of this estimate, we assume H.R. 1151 will be enacted by the beginning of fiscal year 1999. The provisions of the act that are expected to have a significant budgetary effect are discussed below. The reports to be completed by the Secretary of the Treasury would be funded by discretionary spending, but we estimate that the amounts required would not be significant.

Direct spending: CBO estimates that, under H.R. 1151, the amount of assessments that credit unions pay to the NCUSIF would increase by about $352 million over the 1999–2003 period and that rebates to members from the fund would decline by $185 million over the same period. Together, these changes would reduce federal outlays by $537 million from 1999 through 2003. NCUSIF's payments for the NCUA's operating costs would increase by $27 million over the five years, for a net budgetary savings of $510 million through 2003. Finally, we estimate that the operating fund of the NCUA would incur additional administrative costs of $55 million over the 1999–2003 period to carry out the act's provisions related to safety and soundness, and to ensure that credit unions meet the needs of all members of the community. These costs would be offset by additional income from fees and payments from the NCUSIF.

Assessment income: H.R. 1151 would make three changes that CBO expects would increase assessments paid into the NCUSIF over the next 10 years. It would (1) allow current credit union members whose membership status was nuclear as a result of the Supreme Court ruling to retain their membership and allow credit unions to accept members from unrelated groups; (2) change the formula for calculating the reserve balance in the NCUSIF; and (3) change the frequency with which credit unions pay assessments for deposit insurance. This estimate measures these changes relative to current law, which reflects the Supreme Court decision in the case of *National Credit Union Administration* v. *First National Bank & Trust Co., et al.*

The act would allow for an expansion in credit union memberships by allowing growth in groups with common bonds, including occupational credit unions, where the greatest potential for new deposits exists. Recently, about two-thirds of all net new job creation has been associated with small businesses employing fewer than 500 persons. Although H.R. 1151 would encourage the chartering of new credit unions with a common single bond of occupation or association, these groups are often too small to have their own sponsor for a separate credit union. CBO believes that, as a result of this act, such small groups of individuals sharing a common employer or occupation would be more likely to join together to form new credit unions, or to join existing ones, thereby forming credit unions with members having multiple common bonds. Thus, we expect the number of size of credit unions with multiple common bonds to grow faster than under current law. As a result, we expect that enactment of H.R. 1151 would trigger growth of deposits in credit unions of about 5 percent annually by 2000, compared to projected annual growth of about 3 percent under current law. With more rapid growth in deposits, CBO expects that insurance assessments collected by the NCUA also would increase because credit unions pay to the NCUSIF an amount equal to 1 percent of the growth in their deposits each year.

The act would impose some restrictions that could limit the growth of deposits, by narrowing the definition of ''family members'' eligible for membership; limiting conversions to community credit unions; requiring the NCUA to impose tougher capital standards and to close insolvent credit unions promptly; and prohibiting credit unions that are undercapitalized from making new commercial loans. It also would encourage a shift of some deposits from credit unions to thrifts or banks by simplifying the process involved in converting a credit union to another type of insured institution and by allowing some profits from conversions to accrue to individuals. Nevertheless, CBO expects that the effects of other provisions of H.R. 1151, which would lead to more rapid deposit growth, would more than offset thee restrictions.

The act would change the NCUSIF's normal operating level of reserves by allowing the fund balance to range between $1.30 per $100 of insured deposits to as much as $1.50 per $100 of insured deposits. Under current law, the NCUA rebates all balances in excess of 1.3 percent. Under the act, however, CBO expects that the NCUA would continue to provide rebates to members but would limit the amount to one-half the total potentially available for refunding, thereby accumulating higher balances in the insurance fund. CBO estimates that the NCUA would authorize rebates totaling about $465 million over the 1999–2003 period, or about $185 million less than under current law.

Safety and Soundness: H.R. 1151 also would strengthen the regulatory framework of credit unions, and would specify statutory capital and net worth standards equal to those of other insured financial institutions. The act would authorize the NCUA to take prompt corrective action against credit unions engaged in unsafe practices. Because the act would allow credit unions to diversify their membership among various occupational groups, we expect that the stress on particular credit unions would be reduced in periods of corporate downsizing or closure. As a consequence, the probability of failure of credit unions and of losses to the insurance fund would be lower. At this time, CBO has no basis for estimating the potential savings—if any—to the NCUSIF.

Other provisions. The act would limit the authority of most credit unions to make business loans exceeding $50,000 to the lesser of 1.75 times the net worth of the institution or 1.75 times the minimum net worth for a well-capitalized credit union with the same amount of assets. (A well-capitalized credit union is defined as having a ratio of capital to assets of 7 percent.) Section 203 would allow a transition period of three years to phase in the new restrictions on business loans. In addition, the act would require the NCUA to issue regulations defining permissible membership and boundaries for community credit unions. Title II would require the NCUA to prescribe criteria for annually evaluating the record of any community credit union and to develop procedures for ensuring compliance.

CBO estimates that the additional cost to the NCUA to undertake the various initiatives required by H.R. 1151 would total approximately $4 million in 1999, and would increase to $17 million by 2003, about 14 percent of its operating budget. The basis for this estimate is the cost of similar activities for the other federal financial regulators. Most of these expenses, which total an estimated $55 million through 2003, would be for evaluating the records of all insured credit unions to ensure that they meet the needs of those in the community with modest means. They include costs for training, computer support, and overhead. The operating funds of the NCUA are derived from two sources: examination fees charged to credit unions and transfers of funds from the NCUSIF equal to one-half of the annual expenses associated with operating the NCUA. We expect the NCUA would increase fees and reduce rebates to credit unions in amounts sufficient to recover the increase in administrative costs, resulting in no significant budgetary impact over the next five years.

Revenues: The Joint Committee on Taxation estimates that enacting H.R. 1151 would result in a loss of governmental receipts because deposits would shift from financial institutions that currently are subject to corporate taxation—primarily banks and thrifts—to credit unions, which are exempt from federal taxation. Assuming that, over time, deposits in credit unions would grow about 2 percent per year faster than under current law, the JCT estimates that the federal government would lose revenues

totaling $143 million over the 1999–2003 period.

Pay-as-you-go considerations: Section 252 of the Balanced Budget and Emergency Deficit Control Act sets up pay-as-you-go procedures for legislation affecting direct spending or receipts. The net changes in outlays and governmental receipts that are subject to pay-as-you-go procedures are shown in the following table. For the purposes of enforcing pay-as-you-go procedures, only the effects in the current year, the budget year, and the succeeding four years are counted.

[By fiscal year, in millions of dollars]

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Changes in outlays	0	0	0	0	0	0	0	0	0	0	0
Changes in receipts	0	−6	−16	−27	−40	−54	−70	−87	−106	−127	−151

The JCT estimates that, under H.R. 1151, there would be more deposits in credit unions and fewer in financial institutions that are subject to federal taxation. Forgone revenues are estimated to total $143 million over the 1999–2003 period.

Under the Balanced Budget and Emergency Deficit Control Act, provisions providing funding necessary to meet the government's deposit insurance commitment are excluded from pay-as-you-go procedures. Therefore, the projected increases in assessment income and decreases in rebates to credit unions would not count for pay-as-you-go purposes. CBO believes that the administrative costs related to safety and soundness, estimated to total about $11 million through 2003, would be excluded as well. In contract, CBO believes that the various costs that the NCUA would incur to ensure that credit unions serve people of modest means would count for pay-as-you-go purposes. We estimate that the additional direct spending for the NCUA's supervisory costs associated with activities other than those related to safety and soundness would total about $45 million over the 1999–2003 period. These costs would be fully offset by increases in fees charged to credit unions or reduced rebates, resulting in no significant net budgetary impact.

Estimated Impact on State, local, and tribal governments: H.R. 1151 contains intergovernmental mandates as defined in UMRA because it would, in certain circumstances, preempt state laws regulating credit unions. Specifically, the act would establish safety, soundness, and audit requirements that are stricter than some state standards. In addition, it would impose limits on the volume of business loans made by credit unions. It could also override state community reinvestment laws that apply to state-chartered credit unions that are federally insured. Under UMRA such preemptions would be mandates. However, because these preemptions would simply limit the application of state law in some circumstances, and because only a few states are likely to be affected, CBO estimates that they would impose only minimal costs on states.

H.R. 1151 also contains provisions that would increase the workload of state regulators of credit unions. These provisions would not be mandates under UMRA because they are the result of voluntary agreements between state and federal regulators, under which state regulators incorporate federal requirements into their evaluations of state-chartered credit unions. The net effect of these provisions would not be significant because costs incurred by state regulators would be offset by examination fees and assessments levied by the states. Finally, the legislation would not impose mandates or have other budgetary impacts on local or tribal governments.

Estimated impact on the private sector: H.R. 1151 would impose new private-sector mandates, as defined by UMRA, on federally insured credit unions. CBO estimates that the direct costs of complying with private-sector mandates in H.R. 1151, in the first five years after mandates become effective, would be below the statutory threshold established in UMRA ($100 million in 1996, adjusted annually for inflation). Several provisions in the act would impose restrictions on credit unions that could affect their long-term future business potential. CBO expects that those restrictions could limit somewhat the growth of deposits. At the same time, a key provision in H.R. 1151 would benefit federal credit unions by relaxing an existing restriction and allowing occupation-based credit unions to serve multiple unrelated groups. Overall, CBO estimates that total deposits of credit unions would grow faster under H.R. 1151 than under current law.

Private-sector mandates contained in the bill: H.R. 1151 would impose several mandates on federally insured credit unions. The primary mandates in the act would: establish new criteria for credit unions to demonstrate service to low- and moderate-income individuals; limit the amount of business loans that an institution can make to members; establish a system of prompt corrective action that is consistent with the system currently applicable to institutions insured by the Federal Deposit Insurance Corporation; require credit unions having assets greater than $50 million to remit deposits to the NCUSIF semiannually instead of annually; and impose new regulations regarding auditing and accounting procedures for institutions with assets greater than $10 million.

Serving persons of modest means. Section 204 would subject federally insured credit unions to a periodic review by the NCUA of their record in providing affordable credit union services to low- and moderate-income individuals within their membership group. The act would direct the NCUA to develop additional criteria for annual evaluations of the record of community credit unions. Such institutions are usually organized to serve a particular local community, neighborhood, or rural district and are not based on an occupational bond. The act would direct the NCUA to implement regulations that emphasize performance over paperwork.

Business Loans to Members. Section 203 would put limits on the total amount of business loans that a federally insured credit union could make. Business loans to members would be limited to an amount that is the lesser of 1.75 times a credit union's actual net worth or 1.75 times the statutory requirement for well-capitalized institutions with the same amount of assets. For a well-capitalized credit union, this provision would effectively limit business loans to its members to 12.25 percent of its assets. The act would exempt from this requirement credit unions that have a history of primarily making business loans to members and credit unions that serve predominantly low-income members. Although the limit on business loans would be effective on the date of enactment, H.R. 1151 would allow credit unions with loans over the limit on that date three years to reduce the volume of outstanding loans to a level that is in compliance.

Safety and Soundness Provisions. Section 301 would require the NCUA to establish a system of prompt corrective action (PCA) for federally insured credit unions within one and one-half years after enactment. As a part of the PCA system H.R. 1151 would establish statutory capital levels for federally insured credit unions based on an institution's ratio of net worth to assets—well-capitalized, adequately capitalized, undercapitalized, significantly undercapitalized, and critically undercapitalized. (Credit unions that are deemed to have complex portfolios by the NCUA would have additional risk-based capital requirements.) Well-capitalized institutions would have no further restrictions on their activities under PCA. Credit unions that are not well-capitalized would have to set aside net worth (usually retained earnings) at a rate of 0.4 percent of assets annually. Undercapitalized institutions would have to (1) create a restoration plan approved by the NCUA, (2) monitor asset growth in compliance with an approved plan, and (3) restrict the growth of business loans to members.

Semi-Annual Remittance to the Share Insurance Fund. Under current law, each insured credit union maintains on deposit in the NCUSIF an amount equal to 1 percent of the credit union's insured share deposits. Credit unions periodically certify the amount of share deposits and, each April, they adjust their deposit in the fund based on this amount. For credit unions with more than $50 million in assets, this legislation would change the schedule to twice per year for adjusting deposit levels in the fund.

New Accounting Requirements. Section 201 would require credit unions with assets over $500 million to have an annual independent audit of their financial statement performed in accordance with generally accepted accounting principles (GAAP). H.R. 1151 would also require credit unions with assets over $10 million to use GAAP in all reports required to be filed with the NCUA. Credit unions with assets under $10 million would be allowed to continue to use other methods outlined in NCUA's Accounting Manual, unless GAAP is specifically prescribed for them by NCUA or their state regulator.

Estimated costs to the private sector: In total, CBO estimates that the cost of mandates in H.R. 1151 would fall below UMRA's threshold for private-sector mandates. Complying with the provisions in section 204, dealing with service to persons of modest means, would be the most costly mandate in the act. The costs of those provisions would range from $25 million to $33 million in the first year that the regulations are fully implemented, fall in the next year, and rise somewhat thereafter. The cost to credit unions of limiting business loans to members are not expected to be substantial overall, but some institutions may have to bear significant losses on loans in order to comply with this restriction. The direct costs of other mandates in the legislation would be less than $3 million in any of the five years after mandates would become effective. The safety-and-soundness provisions would increase examination costs incurred by credit unions by about $1 million annually by the year 2001. Lost investment income to credit unions that would have to make additional deposits to the share insurance fund would total between $1.5 million and $2 million during each of the first five years after implementation. The costs of complying with the accounting provisions in the act would be negligible because most institutions are already in or near compliance.

Serving Persons of Modest Means. The cost of complying with requirements that would result from provisions in section 204 are difficult to assess because the NCUA would have to develop a new set of criteria to evaluate a credit union's service to members of modest means. Such rules are likely to differ substantially from those applicable to other depository institutions. Based on information from the NCUA and other regulatory agencies, CBO estimates that the costs of complying with those provisions would range from $25 million to $33 million in the year 2000 and would fall in the next year once the system is in place. Most of the incremental costs to credit unions would be for keeping additional records on member loans and share accounts to assist in monitoring services to low-income persons, marketing to all segments within the membership field, and undergoing more extensive periodic examinations. Costs could be higher if the NCUA determines that additional types of information would be necessary to monitor compliance with these provisions.

In general, federally insured credit unions would have to record additional information on households with respect to such member services as loans and, possibly, share accounts. The incremental costs of new recordkeeping requirements could range between $17 million and $25 million beginning in the year 2000, and would fall by 20 percent to 30 percent in the next years once the system is fully in place. Costs would then rise over time as the number of loans and share accounts grows. CBO estimates that the costs of marketing to all income strata within the field of membership would increase costs by $4 million to $5 million annually, which is less than 1 percent of the amount that credit unions currently spend on educational and promotional expenses. In addition to those incremental costs, credit unions would have to cover the costs of more extensive examinations by regulators. Based on information from the NCUA and banking regulators, CBO estimates that the increased costs for periodic examinations would be about $3 million a year by the year 2000.

Business Loans to Members. The restrictions on business loans to members would not impose a significant cost on the industry as a whole. Currently about 1,550 credit unions make business loans to their members. Of that group, only about 100 institutions are currently over the limit proposed in the act. According to the latest data, those institutions would be over the limit by almost $870 million in loans. However, many of the institutions that are over the limit would be able to qualify under the act for an exemption based on their history of making such loans. (In over 40 percent of the institutions that are currently over the limit, business loans make up 37 percent or more of their loan portfolio.)

Credit unions that do not qualify for an exemption would have 3 years to: allow loans to turn over (the turnover rate for all credit union loans averages about 22 months); try to sell loans on the market—only quality loans would attract a high percentage on the dollar; try to engage in ''participating loan'' programs, which allow institutions to share up to 90 percent of their loan portfolio with other credit unions; or try to ''call in'' loans under loan agreements that have a provision allowing such an action. Institutions with nonperforming loans or those that have a slow turnover in their portfolio may have to sell loans at a significant loss or write off loans at a total loss. Even institutions that are able to sell off business loans could experience a loss in interest income if they are unable to invest money from the sale of those loans at comparable interest rates. (Business loans typically garner a higher rate than other loans in a credit union's portfolio.)

Safety and Soundness Provisions. The near-term costs of new requirements under section 301 should be small for two reasons. First, the NCUA currently monitors the net worth of credit unions and administers several informal policies that are analogous to prompt corrective action procedures applicable to FDIC-insured institutions. Second, about 94 percent of all federally insured credit unions are currently well capitalized. Institutions with the lowest composite performance ratings given by regulators have accounted for only 3 percent or less of all credit unions over the last four years.

Under PCA, institutions that are not well capitalized would have to set aside funds that they could otherwise use to earn interest income. However, according to the NCUA, the .04 percent retention requirement is not significantly different from current earnings-retention requirements. The costs of examinations for credit unions would also increase slightly (by $1 million or so by the year 2001) for all credit unions under a system of prompt corrective action.

Other Mandate Costs. Under section 302, insured credit unions with more than $50 million in assets would have to remit assessments twice a year to the NCUSIF, thus losing the use of $60 million for six months, compared to the current system. Assuming credit unions would earn an annual yield of about 5.5 percent on those funds, they would lose income of $1.5 million to $2 million per year over the 1999–2003 period.

The costs of complying with the accounting provisions in H.R. 1151 would be small. According to recent data from the NCUA, all but one of the credit unions with over $500 million in assets already have an independent outside audit performed each year. The incremental costs of an audit would be less than $30,000 for an institution of that size. The costs of complying with GAAP would also be minor because most credit unions with assets over $10 million use accounting procedures that are largely consistent with GAAP. For institutions that currently use methods that are not consistent with GAAP (mostly cash accounting methods), the additional compliance costs of this mandate could include the costs to train employees in the application of GAAP accounting methods, and the costs of transferring records into a new system of accounting. However, the majority of institutions do not use cash accounting methods and would, therefore, only have to make minor changes to achieve compliance.

Previous CBO estimate: On June 2, 1998, CBO prepared a cost estimate for H.R. 1151, as passed by the House of Representatives on April 1, 1998. For the House version of H.R. 1151, CBO estimated that deposits in credit unions would grow by 6 percent annually by 2000, compared to projected annual growth of about 3 percent under current law. As a result, CBO estimated that net assessments paid to the NCUSIF would increase by $628 million over the period 1999–2003 period, and that the shift in deposits would reduce revenues to the federal government by $217 million through 2003. In contrast, for the Senate version of H.R. 1151, CBO estimates that deposits in credit unions would grow at a rate of about 2 percent annually by 2000, that net assessments would increase by $510 million over the 1999–2003 period, and that revenue losses would total $143 million through 2003.

CBO expects a lower annual rate of growth in deposits under the Senate version of H.R. 1151 for a number of reasons. The Senate version would specify net worth and capital requirements for credit unions and require regulators to restrict the growth of unhealthy institutions. In contrast, the House version would give the NCUA discretion to develop future standards affecting the safety and soundness of credit unions. The Senate version of H.R. 1151 also would simplify and ease procedures for converting a credit union to a mutual institution. Unlike the House version, the Senate provisions would not bar owners and members from earning profits if the newly created mutual institution subsequently converted to a publicly traded financial institution. CBO believes, therefore, that the Senate version of H.R. 1151 would provide a greater incentive to convert a credit union to a mutual or stock institution by allowing participants to realize greater economic benefits. This is consistent with the experience of many small thrifts and banks that recently have converted from mutual to stock ownership, thereby creating substantial value for the new shareholders.

Estimate prepared by: Federal Costs: Mary Maginniss; Revenues: Mark Booth; Impact on State, Local, and Tribal Governments: Marc Nicole; and Impact on the Private Sector: Patrice Gordon.

Estimate approved by: Robert A. Sunshine, Deputy Assistant Director for Budget Analysis.●

ADDING SENATOR BINGAMAN AS A COSPONSOR TO THE VETERANS MEDICAL CARE AMENDMENT TO THE DEFENSE AUTHORIZATION BILL

● Mr. HARKIN. Mr. President, during the deliberations over the fiscal year 1999 Defense Authorization bill, I offered an amendment to increase spending for our nation's veterans medical needs. The amendment, offered on June 25th and numbered as 2982 would have allowed the transfer of $329 million from the defense budget to support the VA medical budget. The amendment would have transferred funds so as to avoid harming the readiness of the Armed Forces and the quality of life of military personnel and their families.

The amendment's description was incomplete as to the listing of cosponsors and I would like to correct the record at this time. Along with Senator WELLSTONE of Minnesota, Senator BINGAMAN of New Mexico, also a longtime champion of veterans, should have been included as a cosponsor.

Although the amendment did not receive the support of a majority of my colleagues, I appreciate the cosponsorship by Senator BINGAMAN and Senator WELLSTONE. I also appreciate the support of the 35 other Senators who voted in favor of increasing VA medical funding.●

COLUMBIA RIVER FISH MITIGATION FUNDING

● Mr. SMITH of Oregon. Mr. President, I rise today to urge my colleagues who are conferees for the Fiscal Year 1999 Energy and Water Development Appropriations bill to retain the Senate-passed funding level for the Army Corps of Engineers' fish and wildlife mitigation measures on the Columbia River.

The Senate approved $95 million for this program, which is vitally important to ongoing efforts to restore the

salmon and steelhead runs in the Columbia and Snake Rivers. Unfortunately, the House-passed bill slashed funding for the program to less than $8 million, enough for just two studies already underway in the Basin. The House Committee justifies this action by claiming that the funds spent to date have not recovered the salmon. Further, the House report states that since a major decision on the long-term operations of the federal dams on the system is supposed to occur in 1999, we should just wait for that decision before we spend any more money on salmon recovery efforts in the basin.

Given the life cycle of the salmon, waiting even a few years is simply not an option. Inaction on our part could push the salmon closer to extinction, which is unacceptable to those of us in the Pacific Northwest. We must also be realistic about the possibility that the 1999 decision could be delayed. And unless a regional consensus is developed soon on how best to proceed, the decision—whenever it comes—is bound to be controversial and subject to challenges.

Work on these fish mitigation measures, for which most of the funding will be reimbursed through power revenues, must continue while a long-term solution is developed and implemented. The House approach to this issue fails to recognize that most of the funding is earmarked for important mitigation facilities at dams not being studied for permanent drawdown or by-pass, including McNary Dam and Bonneville Dam, as well as for important mitigation analysis studies. Information from these studies is needed if we are to make an informed decision on the long-term operation of the system.

Let me state emphatically that I am opposed to removal or drawdown of dams on the Columbia and Snake Rivers, which would destroy navigation on the river, affect irrigation, and eliminate up to 40 percent of Bonneville's generating capacity. There are those in the region who view this an ''either/or'' proposition: either the river is operated for salmon, or for economic activity. I say we can operate it for both.

The Columbia River truly is the lifeblood of the Northwest. The Basin drains approximately 259,000 square miles, and encompasses two countries and seven states in its approximately 1,200 miles to the Pacific Ocean.

In this century, we have harnessed the River for a variety of human activities and benefits, including navigation, water supply, power supply, and flood control. At the time many of the great public works projects in the Basin were constructed, fish and wildlife impacts were not fully considered. We are now struggling with the best way to mitigate these impacts while still meeting human needs. The consequences of these decisions could affect the livelihoods of most Northwest residents.

I know that there are those who oppose funding certain activities on the River that they view to be of questionable value. I think our colleague, Senator GORTON, performed a great service for the region with his 1996 amendment to the Northwest Power Planning and Conservation Act to require that an independent, 11-member scientific panel review projects proposed to be funded by that portion of BPA's annual fish and wildlife budget that implements the Northwest Power Planning Council's fish and wildlife program. I would support the expanded use of scientific review panels for other fish and wildlife funding proposals within the Columbia River Basin.

In closing, Mr. President, let me reiterate my fervent hope that Senate conferees on this bill will stand firm on the $95 million appropriation this body has already approved.

DEPARTMENTS OF COMMERCE, JUSTICE, AND STATE, THE JUDICIARY, AND RELATED AGENCIES APPROPRIATIONS ACT, 1999

(The text of the bill (S. 2260), as passed by the Senate on July 23, 1998, is as follows:)

S. 2260

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the Departments of Commerce, Justice, and State, the Judiciary, and related agencies programs for the fiscal year ending September 30, 1999, and for other purposes, namely:

TITLE I—DEPARTMENT OF JUSTICE

GENERAL ADMINISTRATION

SALARIES AND EXPENSES

For expenses necessary for the administration of the Department of Justice, $76,199,000, of which not to exceed $3,317,000 is for the Facilities Program 2000, to remain available until expended: *Provided*, That not to exceed 43 permanent positions and 44 full-time equivalent workyears and $7,860,000 shall be expended for the Department Leadership Program: *Provided further*, That not to exceed 39 permanent positions and 39 full-time equivalent workyears and $4,660,000 shall be expended for the Offices of Legislative Affairs and Public Affairs: *Provided further*, That the latter two aforementioned offices shall not be augmented by personnel details, temporary transfers of personnel on either a reimbursable or non-reimbursable basis or any other type of formal or informal transfer or reimbursement of personnel or funds on either a temporary or long-term basis: *Provided further*, That the Attorney General is authorized to transfer, under such terms and conditions as the Attorney General shall specify, forfeited real or personal property of limited or marginal value, as such value is determined by guidelines established by the Attorney General, to a State or local government agency, or its designated contractor or transferee, for use to support drug abuse treatment, drug and crime prevention and education, housing, job skills, and other community-based public health and safety programs: *Provided further*, That any transfer under the preceding proviso shall not create or confer any private right of action in any person against the United States, and shall be treated as a reprogramming under section 605 of this Act.

JOINT AUTOMATED BOOKING SYSTEM

For expenses necessary for the nationwide deployment of a Joint Automated Booking System, $10,000,000, to remain available until expended.

COUNTERTERRORISM FUND

For necessary expenses, as determined by the Attorney General, $19,999,000, to remain available until expended, to reimburse any Department of Justice organization for (1) the costs incurred in reestablishing the operational capability of an office or facility which has been damaged or destroyed as a result of any domestic or international terrorist incident, (2) the costs of providing support to counter, investigate or prosecute domestic or international terrorism, including payment of rewards in connection with these activities, (3) the costs of conducting a terrorism threat assessment of Federal agencies and their facilities, (4) the costs associated with ensuring the continuance of essential Government functions during a time of emergency, and (5) the costs of activities related to the protection of the Nation's critical infrastructure: *Provided*, That any Federal agency may be reimbursed for costs associated with implementation of the recommendations of the President's Commission on Critical Infrastructure Protection: *Provided further*, That any agency receiving services from the Department of Justice from the Fund may reimburse the Fund and that any such reimbursement shall remain available in the Fund until expended: *Provided further*, That funds provided under this paragraph shall be available only after the Attorney General notifies the Committees on Appropriations of the House of Representatives and the Senate in accordance with section 605 of this Act.

In addition, for necessary expenses, as determined by the Attorney General, $174,000,000, to remain available until expended, for transfer to the Office of Justice Programs (OJP), for counterterrorism grants, contracts, cooperative agreements, and other assistance (including amounts for management and administration which shall be transferred to and merged with the ''Justice Assistance'' account), to cities, States, territories, and local jurisdictions; of which $95,000,000 shall be available for equipping first responders in cities, States, territories, and local jurisdictions; of which $5,000,000 shall be available to reimburse the Department of Health and Human Services for costs associated with Metropolitan Medical Strike Teams; of which $10,000,000 shall be available for technical assistance and evaluation; of which $7,000,000 shall be available for law enforcement first responder training; of which $22,000,000 shall be available for public safety first responder training provided through the National Domestic Preparedness Consortium; of which $25,000,000 shall be available for firefighter and emergency medical services equipment; and of which $10,000,000 shall be available for situational training exercises.

ADMINISTRATIVE REVIEW AND APPEALS

For expenses necessary for the administration of pardon and clemency petitions and immigration related activities, $41,858,000.

OFFICE OF INSPECTOR GENERAL

For necessary expenses of the Office of Inspector General in carrying out the provisions of the Inspector General Act of 1978, as amended, $33,211,000; including not to exceed $10,000 to meet unforeseen emergencies of a confidential character, to be expended under the direction of, and to be accounted for solely under the certificate of, the Attorney General; and for the acquisition, lease, maintenance, and operation of motor vehicles, without regard to the general purchase price limitation for the current fiscal year: *Provided*, That up to one-tenth of one percent of the Department of Justice's allocation from

the Violent Crime Reduction Trust Fund grant programs may be transferred at the discretion of the Attorney General to this account for the audit or other review of such grant programs, as authorized by section 130005 of the Violent Crime Control and Law Enforcement Act of 1994 (Public Law 103–322).

UNITED STATES PAROLE COMMISSION

SALARIES AND EXPENSES

For necessary expenses of the United States Parole Commission as authorized by law, $7,969,000.

LEGAL ACTIVITIES

SALARIES AND EXPENSES, GENERAL LEGAL ACTIVITIES

For expenses necessary for the legal activities of the Department of Justice, not otherwise provided for, including not to exceed $20,000 for expenses of collecting evidence, to be expended under the direction of, and to be accounted for solely under the certificate of, the Attorney General; and rent of private or Government-owned space in the District of Columbia; and for annual obligations of membership in law-based international organizations pursuant to treaties ratified pursuant to the advice and consent of the Senate, conventions, or specific Acts of Congress, notwithstanding any other provision of law; $485,511,000; of which not to exceed $10,000,000 for litigation support contracts shall remain available until expended: *Provided*, That of the funds available in this appropriation, not to exceed $17,834,000 shall remain available until expended for office automation systems for the legal divisions covered by this appropriation, and for the United States Attorneys, the Antitrust Division, and offices funded through ''Salaries and Expenses'', General Administration: *Provided further*, That of the total amount appropriated, not to exceed $1,000 shall be available to the United States National Central Bureau, INTERPOL, for official reception and representation expenses.

In addition, for reimbursement of expenses of the Department of Justice associated with processing cases under the National Childhood Vaccine Injury Act of 1986, as amended, not to exceed $4,028,000, to be appropriated from the Vaccine Injury Compensation Trust Fund.

SALARIES AND EXPENSES, ANTITRUST DIVISION

For expenses necessary for the enforcement of antitrust and kindred laws, $86,588,000: *Provided*, That notwithstanding any other provision of law, not to exceed $86,588,000 of offsetting collections derived from fees collected for premerger notification filings under the Hart-Scott-Rodino Antitrust Improvements Act of 1976 (15 U.S.C. 18(a)) shall be retained and used for necessary expenses in this appropriation, and shall remain available until expended: *Provided further*, That the sum herein appropriated from the General Fund shall be reduced as such offsetting collections are received during fiscal year 1999, so as to result in a final fiscal year 1999 appropriation from the General Fund estimated at not more than $0: *Provided further*, That the third proviso under the heading ''Salaries and Expenses, Antitrust Division'' in Public Law 105–119 is repealed.

SALARIES AND EXPENSES, UNITED STATES ATTORNEYS

For necessary expenses of the Offices of the United States Attorneys, including intergovernmental and cooperative agreements, $1,083,642,000; of which not to exceed $2,500,000 shall be available until September 30, 2000, for (1) training personnel in debt collection, (2) locating debtors and their property, (3) paying the net costs of selling property, and (4) tracking debts owed to the United States Government: *Provided*, That of the total amount appropriated, not to exceed $8,000 shall be available for official reception and representation expenses: *Provided further*, That not to exceed $10,000,000 of those funds available for automated litigation support contracts shall remain available until expended: *Provided further*, That not to exceed $1,200,000 for the design, development, and implementation of an information systems strategy for D.C. Superior Court shall remain available until expended: *Provided further*, That not to exceed $2,500,000 for the operation of the National Advocacy Center shall remain available until expended: *Provided further*, That not to exceed $1,000,000 shall remain available until expended for the expansion of existing Violent Crime Task Forces in United States Attorneys Offices into demonstration projects, including intergovernmental, inter-local, cooperative, and task-force agreements, however denominated, and contracts with State and local prosecutorial and law enforcement agencies engaged in the investigation and prosecution of violent crimes: *Provided further*, That, in addition to reimbursable full-time equivalent workyears available to the Office of the United States Attorneys, not to exceed 8,960 positions and 9,125 full-time equivalent workyears shall be supported from the funds appropriated in this Act for the United States Attorneys: *Provided further*, that of the total amount appropriated, not to exceed $3,000,000 shall remain available to hire additional assistant United States Attorneys and investigators to enforce Federal laws designed to keep firearms out of the hands of criminals, and the Attorney General is directed to initiate a selection process to identify two (2) major metropolitan areas (which shall not be in the same geographic area of the United States) which have an unusually high incidence of gun-related crime, where the funds described in this subsection shall be expended: *Provided further*, That $2,300,000 shall be used to provide for additional assistant United States attorneys and investigators to serve in Philadelphia, Pennsylvania and Camden County, New Jersey, to enforce Federal laws designed to prevent the possession by criminals of firearms (as that term is defined in section 921(a) of title 18, United States Code), of which $1,500,000 shall be used to provide for those attorneys and investigators in Philadelphia, Pennsylvania and $800,000 shall be used to provide for those attorneys and investigators in Camden County, New Jersey.

UNITED STATES TRUSTEE SYSTEM FUND

For necessary expenses of the United States Trustee Program, as authorized by 28 U.S.C. 589a(a), $108,248,000, to remain available until expended and to be derived from the United States Trustee System Fund: *Provided*, That, notwithstanding any other provision of law, deposits to the Fund shall be available in such amounts as may be necessary to pay refunds due depositors: *Provided further*, That, notwithstanding any other provision of law, $100,000,000 of offsetting collections derived from fees collected pursuant to 28 U.S.C. 589a(b) shall be retained and used for necessary expenses in this appropriation and remain available until expended: *Provided further*, That the sum herein appropriated from the Fund shall be reduced as such offsetting collections are received during fiscal year 1999, so as to result in a final fiscal year 1999 appropriation from the Fund not to exceed $8,248,000: *Provided further*, That the fourth proviso under the heading ''United States Trustee Fund'' in Public Law 105–119 is repealed.

SALARIES AND EXPENSES, FOREIGN CLAIMS SETTLEMENT COMMISSION

For expenses necessary to carry out the activities of the Foreign Claims Settlement Commission, including services as authorized by 5 U.S.C. 3109, $1,227,000.

SALARIES AND EXPENSES, UNITED STATES MARSHALS SERVICE

For necessary expenses of the United States Marshals Service; including the acquisition, lease, maintenance, and operation of vehicles, and the purchase of passenger motor vehicles for police-type use, without regard to the general purchase price limitation for the current fiscal year, $501,752,000, as authorized by 28 U.S.C. 561(i); of which not to exceed $6,000 shall be available for official reception and representation expenses; and of which not to exceed $4,000,000 for development, implementation, maintenance and support, and training for an automated prisoner information system, shall remain available until expended.

CONSTRUCTION

For planning, constructing, renovating, equipping, and maintaining United States Marshals Service prisoner-holding space in United States courthouses and federal buildings, including the renovation and expansion of prisoner movement areas, elevators, and sallyports, $4,000,000, to remain available until expended.

JUSTICE PRISONER AND ALIEN TRANSPORTATION SYSTEM FUND, UNITED STATES MARSHALS SERVICE

There is hereby established a Justice Prisoner and Alien Transportation System Fund for the payment of necessary expenses related to the scheduling and transportation of United States prisoners and illegal and criminal aliens in the custody of the United States Marshals Service, as authorized in 18 U.S.C. 4013, including, without limitation, salaries and expenses, operations, and the acquisition, lease, and maintenance of aircraft and support facilities: *Provided*, That the Fund shall be reimbursed or credited with advance payments from amounts available to the Department of Justice, other Federal agencies, and other sources at rates that will recover the expenses of Fund operations, including, without limitation, accrual of annual leave and depreciation of plant and equipment of the Fund: *Provided further*, That proceeds from the disposal of Fund aircraft shall be credited to the Fund: *Provided further*, That amounts in the Fund shall be available without fiscal year limitation, and may be used for operating equipment lease agreements that do not exceed five years: *Provided further*, That with respect to the transportation of Federal, State, local and territorial prisoners and detainees, the lease or rent of aircraft by the Justice Prisoner Air Transport System shall be considered use of public aircraft pursuant to 49 U.S.C. section 40102(a)(37).

For the initial capitalization costs of the Fund, $10,000,000.

FEDERAL PRISONER DETENTION

For expenses, related to United States prisoners in the custody of the United States Marshals Service as authorized in 18 U.S.C. 4013, but not including expenses otherwise provided for in appropriations available to the Attorney General, $407,018,000, as authorized by 28 U.S.C. 561(i), to remain available until expended.

FEES AND EXPENSES OF WITNESSES

For expenses, mileage, compensation, and per diems of witnesses, for expenses of contracts for the procurement and supervision of expert witnesses, for private counsel expenses, and for per diems in lieu of subsistence, as authorized by law, including advances, $95,000,000, to remain available until expended; of which not to exceed $6,000,000

may be made available for planning, construction, renovations, maintenance, remodeling, and repair of buildings, and the purchase of equipment incident thereto, for protected witness safesites; of which not to exceed $1,000,000 may be made available for the purchase and maintenance of armored vehicles for transportation of protected witnesses; and of which not to exceed $4,000,000 may be made available for the purchase, installation and maintenance of a secure, automated information network to store and retrieve the identities and locations of protected witnesses.

SALARIES AND EXPENSES, COMMUNITY RELATIONS SERVICE

For necessary expenses of the Community Relations Service, established by title X of the Civil Rights Act of 1964, $5,319,000: *Provided*, That notwithstanding any other provision of law, upon a determination by the Attorney General that emergent circumstances require additional funding for conflict prevention and resolution activities of the Community Relations Service, the Attorney General may transfer such amounts to the Community Relations Service, from available appropriations for the current fiscal year for the Department of Justice, as may be necessary to respond to such circumstances: *Provided further*, That any transfer pursuant to the previous proviso shall be treated as a reprogramming under section 605 of this Act and shall not be available for obligation or expenditure except in compliance with the procedures set forth in that section.

ASSETS FORFEITURE FUND

For expenses authorized by 28 U.S.C. 524(c)(1)(A)(ii), (B), (F), and (G), as amended, $23,000,000, to be derived from the Department of Justice Assets Forfeiture Fund.

RADIATION EXPOSURE COMPENSATION

ADMINISTRATIVE EXPENSES

For necessary administrative expenses in accordance with the Radiation Exposure Compensation Act, $2,000,000.

INTERAGENCY LAW ENFORCEMENT

INTERAGENCY CRIME AND DRUG ENFORCEMENT

For necessary expenses for the detection, investigation, and prosecution of individuals involved in organized crime drug trafficking not otherwise provided for, to include intergovernmental agreements with State and local law enforcement agencies engaged in the investigation and prosecution of individuals involved in organized crime drug trafficking, $294,967,000: *Provided*, That any amounts obligated from appropriations under this heading may be used under authorities available to the organizations reimbursed from this appropriation: *Provided further*, That any unobligated balances remaining available at the end of the fiscal year shall revert to the Attorney General for reallocation among participating organizations in succeeding fiscal years, subject to the reprogramming procedures described in section 605 of this Act.

FEDERAL BUREAU OF INVESTIGATION

SALARIES AND EXPENSES

For necessary expenses of the Federal Bureau of Investigation for detection, investigation, and prosecution of crimes against the United States; including purchase for police-type use of not to exceed 2,668 passenger motor vehicles, of which 2,000 will be for replacement only, without regard to the general purchase price limitation for the current fiscal year, and hire of passenger motor vehicles; acquisition, lease, maintenance, and operation of aircraft; and not to exceed $70,000 to meet unforeseen emergencies of a confidential character, to be expended under the direction of, and to be accounted for solely under the certificate of, the Attorney General, $2,522,050,000; of which not to exceed $50,000,000 for automated data processing and telecommunications and technical investigative equipment and not to exceed $1,000,000 for undercover operations shall remain available until September 30, 2000; of which not less than $233,473,000 shall be for counterterrorism investigations, foreign counterintelligence, and other activities related to our national security; of which not to exceed $61,800,000 shall remain available until expended; of which not to exceed $10,000,000 is authorized to be made available for making advances for expenses arising out of contractual or reimbursable agreements with State and local law enforcement agencies while engaged in cooperative activities related to violent crime, terrorism, organized crime, and drug investigations; and of which $1,500,000 shall be available to maintain an independent program office dedicated solely to the relocation of the Criminal Justice Information Services Division and the automation of fingerprint identification services: *Provided*, That not to exceed $45,000 shall be available for official reception and representation expenses: *Provided further*, That no funds in this Act may be used to provide ballistics imaging equipment to any State or local authority which has obtained similar equipment through a Federal grant or subsidy unless the State or local authority agrees to return that equipment or to repay that grant or subsidy to the Federal Government.

In addition, $433,124,000 for such purposes, to remain available until expended, to be derived from the Violent Crime Reduction Trust Fund, as authorized by the Violent Crime Control and Law Enforcement Act of 1994 as amended, and the Antiterrorism and Effective Death Penalty Act of 1996.

CONSTRUCTION

For necessary expenses to construct or acquire buildings and sites by purchase, or as otherwise authorized by law (including equipment for such buildings); conversion and extension of federally-owned buildings; and preliminary planning and design of projects; $1,287,000, to remain available until expended.

DRUG ENFORCEMENT ADMINISTRATION

SALARIES AND EXPENSES

For necessary expenses of the Drug Enforcement Administration, including not to exceed $70,000 to meet unforeseen emergencies of a confidential character, to be expended under the direction of, and to be accounted for solely under the certificate of, the Attorney General; expenses for conducting drug education and training programs, including travel and related expenses for participants in such programs and the distribution of items of token value that promote the goals of such programs; purchase of not to exceed 1,428 passenger motor vehicles, of which 1,080 will be for replacement only, for police-type use without regard to the general purchase price limitation for the current fiscal year; and acquisition, lease, maintenance, and operation of aircraft; $802,054,000, of which not to exceed $1,800,000 for research and $15,000,000 for transfer to the Drug Diversion Control Fee Account for operating expenses shall remain available until expended, and of which not to exceed $5,000,000 for purchase of evidence and payments for information, not to exceed $10,000,000 for contracting for automated data processing and telecommunications equipment, and not to exceed $2,000,000 for laboratory equipment, $4,000,000 for technical equipment, and $2,000,000 for aircraft replacement retrofit and parts, shall remain available until September 30, 2000; and of which not to exceed $50,000 shall be available for official reception and representation expenses.

In addition, $407,000,000, for such purposes, to remain available until expended, to be derived from the Violent Crime Reduction Trust Fund.

CONSTRUCTION

For necessary expenses to construct or acquire buildings and sites by purchase, or as otherwise authorized by law (including equipment for such buildings); conversion and extension of federally-owned buildings; and preliminary planning and design of projects; $8,000,000, to remain available until expended.

IMMIGRATION AND NATURALIZATION SERVICE

SALARIES AND EXPENSES

For expenses, not otherwise provided for, necessary for the administration and enforcement of the laws relating to immigration, naturalization, and alien registration, including not to exceed $50,000 to meet unforeseen emergencies of a confidential character, to be expended under the direction of, and to be accounted for solely under the certificate of, the Attorney General; purchase for police type use (not to exceed 2,904, of which 1,711 are for replacement only), without regard to the general purchase price limitation for the current fiscal year, and hire of passenger motor vehicles; acquisition, lease, maintenance and operation of aircraft; research related to immigration enforcement; and for the care and housing of Federal detainees held in the joint Immigration and Naturalization Service and United States Marshals Service's Buffalo Detention Facility; $1,169,317,000 of which not to exceed $400,000 for research shall remain available until expended; of which not to exceed $10,000,000 shall be available for costs associated with the training program for basic officer training, and $5,000,000 is for payments or advances arising out of contractual or reimbursable agreements with State and local law enforcement agencies while engaged in cooperative activities related to immigration; and of which not to exceed $5,000,000 is to fund or reimburse other Federal agencies for the costs associated with the care, maintenance, and repatriation of smuggled illegal aliens: *Provided*, That none of the funds available to the Immigration and Naturalization Service shall be available to pay any employee overtime pay in an amount in excess of $30,000 during the calendar year beginning January 1, 1999: *Provided further*, That uniforms may be purchased without regard to the general purchase price limitation for the current fiscal year: *Provided further*, That not to exceed $5,000 shall be available for official reception and representation expenses: *Provided further*, That not to exceed 20 permanent positions and 20 full-time equivalent workyears and $1,711,000 shall be expended for the Office of Legislative Affairs and Public Affairs: *Provided further*, That the latter two aforementioned offices shall not be augmented by personnel details, temporary transfers of personnel on either a reimbursable or non-reimbursable basis or any other type of formal or informal transfer or reimbursement of personnel or funds on either a temporary or long-term basis: *Provided further*, That the number of positions filled through non-career appointment at the Immigration and Naturalization Service, for which funding is provided in this Act or is otherwise made available to the Immigration and Naturalization Service, shall not exceed four permanent positions and four full-time equivalent workyears: *Provided further*, That the Border Patrol is authorized to continue helicopter procurement while developing a report on the cost and capabilities of a mixed fleet of manned and unmanned

aerial vehicles, helicopters, and fixed-winged aircraft.

In addition, $1,099,667,000, for such purposes, to remain available until expended, to be derived from the Violent Crime Reduction Trust Fund.

CONSTRUCTION

For planning, construction, renovation, equipping, and maintenance of buildings and facilities necessary for the administration and enforcement of the laws relating to immigration, naturalization, and alien registration, not otherwise provided for, $110,251,000, to remain available until expended.

FEDERAL PRISON SYSTEM

SALARIES AND EXPENSES

For expenses necessary for the administration, operation, and maintenance of Federal penal and correctional institutions, including purchase (not to exceed 763, of which 599 are for replacement only) and hire of law enforcement and passenger motor vehicles, and for the provision of technical assistance and advice on corrections related issues to foreign governments; $2,909,956,000: *Provided,* That the Attorney General may transfer to the Health Resources and Services Administration such amounts as may be necessary for direct expenditures by that Administration for medical relief for inmates of Federal penal and correctional institutions: *Provided further,* That the Director of the Federal Prison System (FPS), where necessary, may enter into contracts with a fiscal agent/fiscal intermediary claims processor to determine the amounts payable to persons who, on behalf of the FPS, furnish health services to individuals committed to the custody of the FPS: *Provided further,* That not to exceed $6,000 shall be available for official reception and representation expenses: *Provided further,* That not to exceed $90,000,000 for the activation of new facilities shall remain available until September 30, 2000: *Provided further,* That of the amounts provided for Contract Confinement, not to exceed $20,000,000 shall remain available until expended to make payments in advance for grants, contracts and reimbursable agreements, and other expenses authorized by section 501(c) of the Refugee Education Assistance Act of 1980, as amended, for the care and security in the United States of Cuban and Haitian entrants: *Provided further,* That notwithstanding section 4(d) of the Service Contract Act of 1965 (41 U.S.C. 353(d)), FPS may enter into contracts and other agreements with private entities for periods of not to exceed 3 years and 7 additional option years for the confinement of Federal prisoners.

In addition, $9,559,000, for such purposes, to remain available until expended, to be derived from the Violent Crime Reduction Trust Fund.

BUILDINGS AND FACILITIES

For planning, acquisition of sites and construction of new facilities; leasing the Oklahoma City Airport Trust Facility; purchase and acquisition of facilities and remodeling, and equipping of such facilities for penal and correctional use, including all necessary expenses incident thereto, by contract or force account; and constructing, remodeling, and equipping necessary buildings and facilities at existing penal and correctional institutions, including all necessary expenses incident thereto, by contract or force account; $379,197,000, to remain available until expended, of which not to exceed $14,074,000 shall be available to construct areas for inmate work programs: *Provided*, That labor of United States prisoners may be used for work performed under this appropriation: *Provided further*, That not to exceed 10 percent of the funds appropriated to ''Buildings and Facilities'' in this Act or any other Act may be transferred to ''Salaries and Expenses'', Federal Prison System, upon notification by the Attorney General to the Committees on Appropriations of the House of Representatives and the Senate in compliance with provisions set forth in section 605 of this Act.

FEDERAL PRISON INDUSTRIES, INCORPORATED

The Federal Prison Industries, Incorporated, is hereby authorized to make such expenditures, within the limits of funds and borrowing authority available, and in accord with the law, and to make such contracts and commitments, without regard to fiscal year limitations as provided by section 9104 of title 31, United States Code, as may be necessary in carrying out the program set forth in the budget for the current fiscal year for such corporation, including purchase of (not to exceed five for replacement only) and hire of passenger motor vehicles.

LIMITATION ON ADMINISTRATIVE EXPENSES, FEDERAL PRISON INDUSTRIES, INCORPORATED

Not to exceed $3,266,000 of the funds of the corporation shall be available for its administrative expenses, and for services as authorized by 5 U.S.C. 3109, to be computed on an accrual basis to be determined in accordance with the corporation's current prescribed accounting system, and such amounts shall be exclusive of depreciation, payment of claims, and expenditures which the said accounting system requires to be capitalized or charged to cost of commodities acquired or produced, including selling and shipping expenses, and expenses in connection with acquisition, construction, operation, maintenance, improvement, protection, or disposition of facilities and other property belonging to the corporation or in which it has an interest.

OFFICE OF JUSTICE PROGRAMS

JUSTICE ASSISTANCE

For grants, contracts, cooperative agreements, and other assistance authorized by title I of the Omnibus Crime Control and Safe Streets Act of 1968, as amended, and the Missing Children's Assistance Act, as amended, including salaries and expenses in connection therewith, and the Victims of Crime Act of 1984, as amended, and section 822 of the Antiterrorism and Effective Death Penalty Act of 1996, $170,151,000, to remain available until expended, as authorized by section 1001 of title I of the Omnibus Crime Control and Safe Streets Act, as amended by Public Law 102–534 (106 Stat. 3524).

STATE AND LOCAL LAW ENFORCEMENT ASSISTANCE

For grants, contracts, cooperative agreements, and other assistance authorized by part E of title I of the Omnibus Crime Control and Safe Streets Act of 1968, as amended, for State and Local Narcotics Control and Justice Assistance Improvements, notwithstanding the provisions of section 511 of said Act, $552,000,000, to remain available until expended, as authorized by section 1001 of title I of said Act, as amended by Public Law 102–534 (106 Stat. 3524), of which $47,000,000 shall be available to carry out the provisions of chapter A of subpart 2 of part E of title I of said Act, for discretionary grants under the Edward Byrne Memorial State and Local Law Enforcement Assistance Programs, including $4,500,000 which shall be available to the Executive Office of United States Attorneys to support the National District Attorneys Association's participation in legal education training at the National Advocacy Center.

VIOLENT CRIME REDUCTION PROGRAMS, STATE AND LOCAL LAW ENFORCEMENT ASSISTANCE

For assistance (including amounts for administrative costs for management and administration, which amounts shall be transferred to and merged with the ''Justice Assistance'' account) authorized by the Violent Crime Control and Law Enforcement Act of 1994 (Public Law 103–322), as amended (''the 1994 Act''); the Omnibus Crime Control and Safe Streets Act of 1968, as amended (''the 1968 Act''); and the Victims of Child Abuse Act of 1990, as amended (''the 1990 Act''); $2,124,650,000, to remain available until expended, which shall be derived from the Violent Crime Reduction Trust Fund; of which $500,000,000 shall be for Local Law Enforcement Block Grants, pursuant to H.R. 728 as passed by the House of Representatives on February 14, 1995, except that for purposes of this Act, the Commonwealth of Puerto Rico shall be considered a ''unit of local government'' as well as a ''State'', for the purposes set forth in paragraphs (A), (B), (D), (F), and (I) of section 101(a)(2) of H.R. 728 and for establishing crime prevention programs involving cooperation between community residents and law enforcement personnel in order to control, detect, or investigate crime or the prosecution of criminals: *Provided*, That no funds provided under this heading may be used as matching funds for any other Federal grant program: *Provided further*, That $40,000,000 of this amount shall be for Boys and Girls Clubs in public housing facilities and other areas in cooperation with State and local law enforcement: *Provided further*, That funds may also be used to defray the costs of indemnification insurance for law enforcement officers: *Provided further,* That, hereafter, for the purpose of eligibility for the Local Law Enforcement Block Grant Program in the State of Louisiana, parish sheriffs are to be considered the unit of local government at the parish level under section 108 of H.R. 728: *Provided further,* That $20,000,000 shall be available to carry out section 102(2) of H.R. 728; of which $45,000,000 shall be for grants to upgrade criminal records, as authorized by section 106(b) of the Brady Handgun Violence Prevention Act of 1993, as amended, and section 4(b) of the National Child Protection Act of 1993; of which $350,000,000 shall be for the State Criminal Alien Assistance Program, as authorized by section 242(j) of the Immigration and Nationality Act, as amended; of which $711,000,000 shall be for Violent Offender Incarceration and Truth in Sentencing Incentive Grants pursuant to subtitle A of title II of the 1994 Act, of which $150,000,000 shall be available for payments to States for incarceration of criminal aliens, of which $25,000,000 shall be available for the Cooperative Agreement Program, and of which $52,000,000 shall be for the construction, renovation and repair of tribal detention facilities; of which $9,000,000 shall be for the Court Appointed Special Advocate Program, as authorized by section 218 of the 1990 Act; of which $2,000,000 shall be for Child Abuse Training Programs for Judicial Personnel and Practitioners, as authorized by section 224 of the 1990 Act; of which $210,750,000 shall be for Grants to Combat Violence Against Women, to States, units of local government, and Indian tribal governments, as authorized by section 1001(a)(18) of the 1968 Act, including $12,000,000 which shall be used exclusively for the purpose of strengthening civil legal assistance programs for victims of domestic violence, and $10,000,000 which shall be used exclusively for violence on college campuses: *Provided further*, That, of these funds, $5,200,000 shall be provided to the National Institute of Justice for research and evaluation of violence against women, $1,196,000 shall be provided to the Office of the United States Attorney for the District of Columbia for domestic violence programs in D.C. Superior Court, and $10,000,000 shall be available to the Office of

Juvenile Justice and Delinquency Prevention for the Safe Start Program, to be administered as authorized by part C of the Juvenile Justice and Delinquency Act of 1974, as amended; of which $30,000,000 shall be for Grants to Encourage Arrest Policies to States, units of local government, and Indian tribal governments, as authorized by section 1001(a)(19) of the 1968 Act; of which $25,000,000 shall be for Rural Domestic Violence and Child Abuse Enforcement Assistance Grants, as authorized by section 40295 of the 1994 Act; of which $5,000,000 shall be for training programs to assist probation and parole officers who work with released sex offenders, as authorized by section 40152(c) of the 1994 Act, and for local demonstration projects; of which $1,000,000 shall be for grants for televised testimony, as authorized by section 1001(a)(7) of the 1968 Act; of which $10,000,000 shall be for the Tribal Courts Initiative, including $400,000 for the establishment of a Sioux Nation Tribal Supreme Court; of which $63,000,000 shall be for grants for residential substance abuse treatment for State prisoners, as authorized by section 1001(a)(17) of the 1968 Act; of which $15,000,000 shall be for grants to States and units of local government for projects to improve DNA analysis, as authorized by section 1001(a)(22) of the 1968 Act; of which $900,000 shall be for the Missing Alzheimer's Disease Patient Alert Program, as authorized by section 240001(c) of the 1994 Act; of which $2,000,000 shall be for Motor Vehicle Theft Prevention Programs, as authorized by section 220002(h) of the 1994 Act; of which $40,000,000 shall be for Drug Courts, as authorized by title V of the 1994 Act; of which $2,000,000 shall be for Law Enforcement Family Support Programs, as authorized by section 1001(a)(21) of the 1968 Act; of which $2,000,000 shall be for public awareness programs addressing marketing scams aimed at senior citizens, as authorized by section 250005(3) of the 1994 Act; and of which $100,000,000 shall be for Juvenile Accountability Incentive Block Grants pursuant to Title III of H.R. 3 as passed by the House of Representatives on May 8, 1997, of which $9,523,685 shall be for discretionary grants: *Provided further*, That notwithstanding the requirements of H.R. 3, a State, or unit of local government within such State, shall be eligible for a grant under this program if the Governor of the State certifies to the Attorney General, consistent with guidelines established by the Attorney General in consultation with Congress, that the State is actively considering, or will consider within one year from the date of such certification, legislation, policies, or practices which if enacted would qualify the State for a grant under section 1802 of H.R. 3: *Provided further*, That 3 percent shall be available to the Attorney General for research, evaluation, and demonstration consistent with this program and 2 percent shall be available to the Attorney General for training and technical assistance consistent with this program: *Provided further*, That not less than 45 percent of any grant provided to a State or unit of local government shall be spent for the purposes set forth in paragraphs (3) through (9), and not less than 35 percent shall be spent for the purposes set forth in paragraphs (1), (2) and (10) of section 1801(b) of H.R. 3, unless the State or unit of local government certifies to the Attorney General or the State, whichever is appropriate, that the interests of public safety and juvenile crime control would be better served by expending its grant for other purposes set forth under section 1801(b) of H.R. 3: *Provided further*, That the Federal share limitation in section 1805(e) of H.R. 3 shall be 50 percent in relation to the costs of constructing a permanent juvenile corrections facility: *Provided further*, That prior to receiving a grant under this program, a unit of local government must establish a coordinated enforcement plan for reducing juvenile crime, developed by a juvenile crime enforcement coalition, such coalition consisting of individuals representing the police, sheriff, prosecutor, State or local probation services, juvenile court, schools, business, and religious affiliated, fraternal, non-profit, or social service organizations involved in crime prevention: *Provided further*, That the conditions of sections 1802(a)(3) and 1802(b)(1)(C) of H.R. 3 regarding juvenile adjudication records require a State or unit of local government to make available to the Federal Bureau of Investigation records of delinquency adjudications which are treated in a manner equivalent to adult records: *Provided further*, That no State or unit of local government may receive a grant under this program unless such State or unit of local government has implemented, or will implement no later than January 1, 1999, a policy of controlled substance testing for appropriate categories of juveniles within the juvenile justice system and funds received under this program may be expended for such purpose: *Provided further*, That the minimum allocation for each State under section 1803(a)(1)(A) of H.R. 3 shall be 0.5 percent: *Provided further*, That the terms and conditions under this heading for juvenile accountability incentive block grants are effective for fiscal year 1999 only and upon the enactment of authorization legislation for juvenile accountability incentive block grants, funding provided in this Act shall from that date be subject to the provisions of that legislation and any provisions in this Act that are inconsistent with that legislation shall no longer have effect: *Provided further*, That funds made available in fiscal year 1999 under subpart 1 of part E of title I of the 1968 Act may be obligated for programs to assist States in the litigation processing of death penalty Federal habeas corpus petitions and for drug testing initiatives: *Provided further*, That if a unit of local government uses any of the funds made available under this title to increase the number of law enforcement officers, the unit of local government will achieve a net gain in the number of law enforcement officers who perform nonadministrative public safety service.

WEED AND SEED PROGRAM FUND

For necessary expenses, including salaries and related expenses of the Executive Office for Weed and Seed, to implement ''Weed and Seed'' program activities, $40,000,000, to remain available until expended, for intergovernmental agreements, including grants, cooperative agreements, and contracts, with State and local law enforcement agencies engaged in the investigation and prosecution of violent crimes and drug offenses in ''Weed and Seed'' designated communities, and for either reimbursements or transfers to appropriation accounts of the Department of Justice and other Federal agencies which shall be specified by the Attorney General to execute the ''Weed and Seed'' program strategy: *Provided*, That funds designated by Congress through language for other Department of Justice appropriation accounts for ''Weed and Seed'' program activities shall be managed and executed by the Attorney General through the Executive Office for Weed and Seed: *Provided further*, That the Attorney General may direct the use of other Department of Justice funds and personnel in support of ''Weed and Seed'' program activities only after the Attorney General notifies the Committees on Appropriations of the House of Representatives and the Senate in accordance with section 605 of this Act.

COMMUNITY ORIENTED POLICING SERVICES

VIOLENT CRIME REDUCTION PROGRAMS

For activities authorized by the Violent Crime Control and Law Enforcement Act of 1994, Public Law 103–322 (''the 1994 Act'') (including administrative costs), $1,400,000,000, to remain available until expended, which shall be derived from the Violent Crime Reduction Trust Fund, for Public Safety and Community Policing Grants pursuant to title I of the 1994 Act: *Provided*, That not to exceed 266 permanent positions and 266 full-time equivalent workyears and $34,023,000 shall be expended for program management and administration: *Provided further*, That of the unobligated balances available in this program, $120,960,000 shall be used for innovative community policing programs, of which $66,960,000 shall be used for a law enforcement technology program, $1,000,000 shall be used for police recruitment programs authorized under subtitle H of title III of the 1994 Act, $15,500,000 shall be used for policing initiatives to combat methamphetamine production and trafficking, $12,500,000 shall be used for the Community Policing to Combat Domestic Violence Program pursuant to section 1701(d) of part Q of the Omnibus Crime Control and Safe Streets Act of 1968, as amended, and $25,000,000 shall be used for the Matching Grant Program for Law Enforcement Armor Vests pursuant to section 2501 of part Y of the Omnibus Crime Control and Safe Streets Act of 1968, as amended: *Provided further*, That up to $54,000,000 shall be available to improve tribal law enforcement including equipment and training.

In addition, for activities authorized by the 1994 Act, $40,000,000 for the Police Corps program to remain available until expended, which shall be derived from the Violent Crime Reduction Trust Fund.

JUVENILE JUSTICE PROGRAMS

For grants, contracts, cooperative agreements, and other assistance authorized by the Juvenile Justice and Delinquency Prevention Act of 1974, as amended, (''the Act''), including salaries and expenses in connection therewith to be transferred to and merged with the appropriations for Justice Assistance, $277,597,000, to remain available until expended, as authorized by section 299 of part I of title II and section 506 of title V of the Act, as amended by Public Law 102–586, of which (1) notwithstanding any other provision of law, $6,847,000 shall be available for expenses authorized by part A of title II of the Act, $96,000,000 shall be available for expenses authorized by part B of title II of the Act, and $45,750,000 shall be available for expenses authorized by part C of title II of the Act: *Provided*, That $26,500,000 of the amounts provided for part B of title II of the Act, as amended, is for the purpose of providing additional formula grants under part B to States that provide assurances to the Administrator that the State has in effect (or will have in effect no later than one year after date of application) policies and programs, that ensure that juveniles are subject to accountability-based sanctions for every act for which they are adjudicated delinquent; (2) $12,000,000 shall be available for expenses authorized by section 281 and 282 of part D of title II of the Act for prevention and treatment programs relating to juvenile gangs; (3) $10,000,000 shall be available for expenses authorized by section 285 of part E of title II of the Act; (4) $12,000,000 shall be available for expenses authorized by part G of title II of the Act for juvenile mentoring programs; and (5) $95,000,000 shall be available for expenses authorized by title V of the Act for incentive grants for local delinquency prevention programs; of which $20,000,000 shall be for delinquency prevention, control, and system improvement programs for tribal youth; of which $25,000,000

shall be available for grants of $360,000 to each state and $6,640,000 shall be available for discretionary grants to states, for programs and activities to enforce state laws prohibiting the sale of alcoholic beverages to minors or the purchase or consumption of alcoholic beverages by minors, prevention and reduction of consumption of alcoholic beverages by minors, and for technical assistance and training: *Provided further*, That upon the enactment of reauthorization legislation for Juvenile Justice Programs under the Juvenile Justice and Delinquency Prevention Act of 1974, as amended, funding provisions in this Act shall from that date be subject to the provisions of that legislation and any provisions in this Act that are inconsistent with that legislation shall no longer have effect: *Provided further*, That of amounts made available under the Juvenile Justice Programs of the Office of Justice Programs to carry out part B (relating to Federal Assistance for State and Local Programs), subpart II of part C (relating to Special Emphasis Prevention and Treatment Programs), part D (relating to Gang-Free Schools and Communities and Community-Based Gang Intervention), part E (relating to State Challenge Activities), and part G (relating to Mentoring) of title II of the Juvenile Justice and Delinquency Prevention Act of 1974, and to carry out the At-Risk Children's Program under title V of that Act, not more than 10 percent of each such amount may be used for research, evaluation, and statistics activities designed to benefit the programs or activities authorized under the appropriate part or title, and not more than 2 percent of each such amount may be used for training and technical assistance activities designed to benefit the programs or activities authorized under that part or title.

In addition, for grants, contracts, cooperative agreements, and other assistance authorized by the Victims of Child Abuse Act of 1990, as amended, $7,000,000, to remain available until expended, as authorized by section 214B of the Act.

PUBLIC SAFETY OFFICERS BENEFITS

To remain available until expended, for payments authorized by part L of title I of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3796), as amended, such sums as are necessary, as authorized by section 6093 of Public Law 100–690 (102 Stat. 4339–4340).

GENERAL PROVISIONS—DEPARTMENT OF JUSTICE

SEC. 101. In addition to amounts otherwise made available in this title for official reception and representation expenses, a total of not to exceed $45,000 from funds appropriated to the Department of Justice in this title shall be available to the Attorney General for official reception and representation expenses in accordance with distributions, procedures, and regulations established by the Attorney General.

SEC. 102. None of the funds appropriated by this title shall be available to pay for an abortion, except where the life of the mother would be endangered if the fetus were carried to term, or in the case of rape: *Provided*, That should this prohibition be declared unconstitutional by a court of competent jurisdiction, this section shall be null and void.

SEC. 103. None of the funds appropriated under this title shall be used to require any person to perform, or facilitate in any way the performance of, any abortion.

SEC. 104. Nothing in the preceding section shall remove the obligation of the Director of the Bureau of Prisons to provide escort services necessary for a female inmate to receive such service outside the Federal facility: *Provided*, That nothing in this section in any way diminishes the effect of section 103 intended to address the philosophical beliefs of individual employees of the Bureau of Prisons.

SEC. 105. Notwithstanding any other provision of law, not to exceed $10,000,000 of the funds made available in this Act may be used to establish and publicize a program under which publicly-advertised, extraordinary rewards may be paid, which shall not be subject to spending limitations contained in sections 3059 and 3072 of title 18, United States Code: *Provided*, That any reward of $100,000 or more, up to a maximum of $2,000,000, may not be made without the personal approval of the President or the Attorney General and such approval may not be delegated.

SEC. 106. Not to exceed 5 percent of any appropriation made available for the current fiscal year for the Department of Justice in this Act, including those derived from the Violent Crime Reduction Trust Fund, may be transferred between such appropriations, but no such appropriation, except as otherwise specifically provided, shall be increased by more than 10 percent by any such transfers: *Provided*, That any transfer pursuant to this section shall be treated as a reprogramming of funds under section 605 of this Act and shall not be available for obligation except in compliance with the procedures set forth in that section.

SEC. 107. Any amounts credited to the ''Legalization Account'' established under section 245(c)(7)(B) of the Immigration and Nationality Act (8 U.S.C. 1255a(c)(7)(B)) are transferred to the ''Examinations Fee Account'' established under section 286(m) of that Act (8 U.S.C. 1356(m)).

SEC. 108. 28 U.S.C. Section 589a(b) is amended—

(1) by striking ''and'' in paragraph (7);

(2) by striking the period in paragraph (8) and inserting in lieu thereof ''; and''; and

(3) by adding a new paragraph as follows:

''(9) interest earned on Fund investments.''.

SEC. 109. Notwithstanding any other provision of law, during fiscal year 1999, the Assistant Attorney General for the Office of Justice Programs of the Department of Justice—

(1) may make grants, or enter into cooperative agreements and contracts, for the Office of Justice Programs and the component organizations of that Office; and

(2) shall have final authority over all grants, cooperative agreements, and contracts made, or entered into, for the Office of Justice Programs and the component organizations of that Office.

SEC. 110. (a) ADJUSTMENT OF STATUS.—Section 245(i) of the Immigration and Nationality Act (8 U.S.C. 1255(i)) is amended—

(1) in paragraph (1), by amending the first sentence to read as follows: ''Notwithstanding the provisions of subsections (a) and (c) of this section, an alien physically present in the United States who—

''(A) entered the United States without inspection; or

''(B) is within one of the classes enumerated in subsection (c) of this section,

may apply to the Attorney General for the adjustment of his or her status to that of an alien lawfully admitted for permanent residence.''; and

(2) in paragraph (3)(B), by striking ''Breach Bond/Detention Fund established under section 286(r)'' and inserting ''Immigration Detention and Naturalization Activity Account established under section 286(s)''.

(b) REPEAL.—

(1) IN GENERAL.—Section 245(k) of the Immigration and Nationality Act (8 U.S.C. 1255(k)) is repealed.

(2) CONFORMING AMENDMENT.—Section 245(c)(2) of the Immigration and Nationality Act (8 U.S.C. 1255(c)(2)) is amended by striking ''subject to subsection (k),''.

(c) IMMIGRATION DETENTION AND NATURALIZATION ACTIVITY ACCOUNT.—Section 286 of the Immigration and Nationality Act (8 U.S.C. 1356) is amended by adding at the end the following new subsection:

''(s) IMMIGRATION DETENTION AND NATURALIZATION ACTIVITY ACCOUNT.—

''(1) ESTABLISHMENT.—There is established in the general fund of the Treasury a separate account which shall be known as the 'Immigration Detention And Naturalization Activity Account'. Notwithstanding any other section of this title, there shall be deposited as offsetting receipts into the Immigration Detention And Naturalization Activity Account amounts described in section 245(i)(3)(B) to remain available until expended.

''(2) USES OF THE ACCOUNT.—

''(A) IN GENERAL.—The Secretary of the Treasury shall refund out of the Immigration Detention And Naturalization Activity Account to any appropriation the amount paid out of such appropriation for expenses incurred by the Attorney General for the detention of aliens, for construction relating to such detention, and for activities relating to the naturalization of citizens.

''(B) QUARTERLY REFUNDS; ADJUSTMENTS.—The amounts that are required to be refunded under subparagraph (A) shall be refunded at least quarterly on the basis of estimates made by the Attorney General of the expenses referred to in subparagraph (A). Proper adjustments shall be made in the amounts subsequently refunded under subparagraph (A) to the extent prior estimates were in excess of, or less than, the amount required to be refunded under subparagraph (A).

''(C) ESTIMATES IN BUDGET REQUESTS.—The amounts required to be refunded from the Immigration Detention And Naturalization Activity Account for fiscal year 1999 or any fiscal year thereafter shall be refunded in accordance with estimates made in the budget request of the Attorney General for that fiscal year. Any proposed changes in the amounts designated in such budget requests shall only be made after notification to the Committees on Appropriations of the House of Representatives and the Senate in accordance with section 605 of Public Law 104–134.

''(3) ANNUAL REPORTS.—The Attorney General shall annually submit to Congress a report setting forth—

''(A) the financial condition of the Immigration Detention And Naturalization Activity Account for the current fiscal year, including beginning account balance, revenues, withdrawals, and ending account balance; and

''(B) projections for revenues, withdrawals, and the beginning and ending account balances for the next fiscal year.''.

(d) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to applications for adjustment of status filed on or after the end of the 90-day period beginning on the date of enactment of this Act.

SEC. 111. Notwithstanding any other provision of law, with respect to any grant program for which amounts are made available under this title, the term ''tribal'' means of or relating to an Indian tribe (as that term is defined in section 102(2) of the Federally Recognized Indian Tribe List Act of 1994 (25 U.S.C. 479a(2))).

SEC. 112. Section 286(e)(1)(C) of the Immigration and Nationality Act (8 U.S.C. 1356(e)(1)(C)) is amended by inserting ''State'' and a comma immediately before ''territory''.

SEC. 113. For fiscal year 1999 and thereafter, the Director of the Bureau of Prisons may make expenditures out of the Commissary Fund of the Federal Prison System,

regardless of whether any such expenditure is security-related, for programs, goods, and services for the benefit of inmates (to the extent the provision of those programs, goods, or services to inmates is not otherwise prohibited by law), including—

(1) the installation, operation, and maintenance of the Inmate Telephone System;

(2) the payment of all the equipment purchased or leased in connection with the Inmate Telephone System; and

(3) the salaries, benefits, and other expenses of personnel who install, operate, and maintain the Inmate Telephone System.

SEC. 114. (a)(1) Notwithstanding any other provision of law, for fiscal year 1999 and thereafter, the Attorney General may obligate any funds appropriated for or reimbursed to the Counterterrorism programs, projects or activities of the Department of Justice to purchase or lease equipment or any related items, or to acquire interim services, without regard to any otherwise applicable Federal acquisition rule, if the Attorney General determines that—

(A) there is an exigent need for the equipment, related items, or services in order to support an ongoing counterterrorism, national security, or computer-crime investigation or prosecution;

(B) the equipment, related items, or services required are not available within the Department of Justice; and

(C) adherence to that Federal acquisition rule would—

(i) delay the timely acquisition of the equipment, related items, or services; and

(ii) adversely affect an ongoing counterterrorism, national security, or computer-crime investigation or prosecution.

(2) In this subsection, the term ''Federal acquisition rule'' means any provision of title II or IX of the Federal Property and Administrative Services Act of 1949, the Office of Federal Procurement Policy Act, the Small Business Act, the Federal Acquisition Regulation, or any other provision of law or regulation that establishes policies, procedures, requirements, conditions, or restrictions for procurements by the head of a department or agency or the Federal Government.

(b) The Attorney General shall immediately notify the Committees on Appropriations of the House of Representatives and the Senate in writing of each expenditure under subsection (a), which notification shall include sufficient information to explain the circumstances necessitating the exercise of the authority under that subsection.

SEC. 115. Section 210501(b)(1)(A) of the Violent Crime Control and Law Enforcement Act of 1994 (42 U.S.C. 14151(b)(1)(A)) is amended by inserting ''and provide investigative assistance to tribal law enforcement agencies'' before the semicolon.

SEC. 116. (a) Section 110 of division C of Public Law 104–208 is repealed.

(b)(1) Paragraph (2) of section 104(b) of that Act is amended to read as follows:

''(2) CLAUSE B.—Clause (B) of such sentence shall apply as follows:

''(A) As of October 1, 2000, to not less than 25 percent of the border crossing identification cards in circulation as of April 1, 1998.

''(B) As of October 1, 2001, to not less than 50 percent of such cards in circulation as of April 1, 1998.

''(C) As of October 1, 2002, to not less than 75 percent of such cards in circulation as of April 1, 1998.

''(D) As of October 1, 2003, to all such cards in circulation as of April 1, 1998.''.

(2) Such section 104(b) is further amended by adding at the end the following:

''(3) If the Secretary of State and the Attorney General jointly determine that sufficient capacity exists to replace border crossing identification cards in advance of any of the deadlines otherwise provided for under paragraph (2), the Secretary and the Attorney General may by regulation advance such deadlines.''.

SEC. 117. (a) The President shall, with the submission of the President's fiscal year 2000 budget request, submit a Chapter in the Analytical Perspectives Volume (referred to in this section as the ''Chapter'') presenting the specific dollar amounts budgeted, by appropriation account and by line item, for counterterrorism and antiterrorism programs, projects, or activities.

(b) The Chapter shall provide a narrative outline of the content of, and detail the amounts budgeted for, each program, project, or activity for fiscal years 1998, 1999, 2000, and the succeeding 5 years of the Federal Counterterrorism Strategy.

(c) If the President determines that certain portions of the information contained in the Chapter are of a sensitive, classified nature, then the President shall submit to Congress a classified version of the Chapter along with the unclassified version published in the Analytical Perspectives Volume of the President's fiscal year 2000 budget request.

SEC. 118. Section 402(a) of the Controlled Substances Act (21 U.S.C. 842(a)) is amended—

(1) in paragraph (5), by inserting ''knowingly'' after ''(5)''; and

(2) in paragraph (10), by inserting ''knowingly'' after ''(10)''.

SEC. 119. Section 402(c)(1) of the Controlled Substances Act (21 U.S.C. 842(c)(1)) is amended—

(1) by striking ''Except as provided in paragraph (2), any person who violates this section shall'' and inserting ''(A) Subject to subparagraph (B) of this paragraph and paragraph (2), any person who violates this section may''; and

(2) by adding at the end the following:

''(B) In the case of a violation of paragraph (5) or (10) of subsection (a) in which, a result of the violation, no unauthorized person obtains unlawful control of a controlled substance, the civil penalty shall be not more than $500.''.

SEC. 120. The General Accounting Office shall—

(1) monitor the compliance of the Department of Justice and all United States Attorneys with the ''Guidance on the Use of the False Claims Act in Civil Health Care Matters'' issued by the Department of Justice on June 3, 1998, including any revisions to that guidance; and

(2) not later than February 1, 1999, and again not later than August 2, 1999, submit a report on such compliance to the Committees on the Judiciary and the Committees on Appropriations of the Senate and the House of Representatives.

SEC. 121. FIREARMS SAFETY. (a) SECURE GUN STORAGE DEVICE.—Section 921(a) of title 18, United States Code, is amended by adding at the end the following:

''(34) The term 'secure gun storage or safety device' means—

''(A) a device that, when installed on a firearm, is designed to prevent the firearm from being operated without first deactivating the device;

''(B) a device incorporated into the design of the firearm that is designed to prevent the operation of the firearm by anyone not having access to the device; or

''(C) a safe, gun safe, gun case, lock box, or other device that is designed to be or can be used to store a firearm and that is designed to be unlocked only by means of a key, a combination, or other similar means.''.

(b) CERTIFICATION REQUIRED IN APPLICATION FOR DEALER'S LICENSE.—Section 923(d)(1) of title 18, United States Code, is amended—

(1) in subparagraph (E), by striking ''and'' at the end;

(2) in subparagraph (F), by striking the period at the end and inserting ''; and''; and

(3) by adding at the end the following:

''(G) in the case of an application to be licensed as a dealer, the applicant certifies that secure gun storage or safety devices will be available at any place in which firearms are sold under the license to persons who are not licensees (subject to the exception that in any case in which a secure gun storage or safety device is temporarily unavailable because of theft, casualty loss, consumer sales, backorders from a manufacturer, or any other similar reason beyond the control of the licensee, the dealer shall not be considered to be in violation of the requirement under this subparagraph to make available such a device).''.

(c) REVOCATION OF DEALER'S LICENSE FOR FAILURE TO HAVE SECURE GUN STORAGE OR SAFETY DEVICES AVAILABLE.—The first sentence of section 923(e) of title 18, United States Code, is amended by inserting before the period at the end the following: ''or fails to have secure gun storage or safety devices available at any place in which firearms are sold under the license to persons who are not licensees (except that in any case in which a secure gun storage or safety device is temporarily unavailable because of theft, casualty loss, consumer sales, backorders from a manufacturer, or any other similar reason beyond the control of the licensee, the dealer shall not be considered to be in violation of the requirement to make available such a device)''.

(d) STATUTORY CONSTRUCTION; EVIDENCE.—

(1) STATUTORY CONSTRUCTION.—Nothing in the amendments made by this section shall be construed—

(A) as creating a cause of action against any firearms dealer or any other person for any civil liability; or

(B) as establishing any standard of care.

(2) EVIDENCE.—Notwithstanding any other provision of law, evidence regarding compliance or noncompliance with the amendments made by this section shall not be admissible as evidence in any proceeding of any court, agency, board, or other entity.

(e) EFFECTIVE DATE.—The amendments made by this section shall take effect 180 days after the date of enactment of this Act.

SEC. 122. FIREARM SAFETY EDUCATION GRANTS. (a) IN GENERAL.—Section 510 of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3760) is amended—

(1) in subsection (a), by striking paragraph (1) and inserting the following:

''(1) undertaking educational and training programs for—

''(A) criminal justice personnel; and

''(B) the general public, with respect to the lawful and safe ownership, storage, carriage, or use of firearms, including the provision of secure gun storage or safety devices;'';

(2) in the first sentence of subsection (b), by inserting before the period the following: ''and is authorized to make grants to, or enter into contracts with, those persons and entities to carry out the purposes specified in subsection (a)(1)(B) in accordance with subsection (c)''; and

(3) by adding at the end the following:

''(c)(1) In accordance with this subsection, the Director may make a grant to, or enter into a contract with, any person or entity referred to in subsection (b) to provide for a firearm safety program that, in a manner consistent with subsection (a)(1)(B), provides for general public training and dissemination of information concerning firearm safety, secure gun storage, and the lawful ownership, carriage, or use of firearms, including the provision of secure gun storage or safety devices.

''(2) Funds made available under a grant under paragraph (1) may not be used (either directly or by supplanting non-Federal funds) for advocating or promoting gun control, including making communications that are intended to directly or indirectly affect the passage of Federal, State, or local legislation intended to restrict or control the purchase or use of firearms.

''(3) Except as provided in paragraph (4), each firearm safety program that receives funding under this subsection shall provide for evaluations that shall be developed pursuant to guidelines that the Director of the National Institute of Justice of the Department of Justice, in consultation with the Director of the Bureau of Justice Assistance and recognized private entities that have expertise in firearms safety, education and training, shall establish.

''(4) With respect to a firearm safety program that receives funding under this section, the Director may waive the evaluation requirement described in paragraph (3) if the Director determines that the program—

''(A) is not of a sufficient size to justify an evaluation; or

''(B) is designed primarily to provide material resources and supplies, and that activity would not justify an evaluation.''.

(b) EFFECTIVE DATE.—The amendments made by this section shall take effect on the earlier of—

(1) October 1, 1998; or

(2) the date of enactment of this Act.

SEC. 123. FIREARMS. Section 922 of title 18, United States Code, is amended—

(1) in subsection (d), by striking paragraph (5) and inserting the following:

''(5) who, being an alien—

''(A) is illegally or unlawfully in the United States; or

''(B) except as provided in subsection (y)(2), has been admitted to the United States under a nonimmigrant visa (as that term is defined in section 101(a)(26) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(26)));'';

(2) in subsection (g), by striking paragraph (5) and inserting the following:

''(5) who, being an alien—

''(A) is illegally or unlawfully in the United States; or

''(B) except as provided in subsection (y)(2), has been admitted to the United States under a nonimmigrant visa (as that term is defined in section 101(a)(26) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(26)));'';

(3) in subsection (s)(3)(B), by striking clause (v) and inserting the following:

''(v) is not an alien who—

''(I) is illegally or unlawfully in the United States; or

''(II) subject to subsection (y)(2), has been admitted to the United States under a nonimmigrant visa (as that term is defined in section 101(a)(26) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(26)));''; and

(4) by inserting after subsection (x) the following:

''(y) PROVISIONS RELATING TO ALIENS ADMITTED UNDER NONIMMIGRANT VISAS.—

''(1) DEFINITIONS.—In this subsection—

''(A) the term 'alien' has the same meaning as in section 101(a)(3) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(3)); and

''(B) the term 'nonimmigrant visa' has the same meaning as in section 101(a)(26) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(26)).

''(2) EXCEPTIONS.—Subsections (d)(5)(B), (g)(5)(B), and (s)(3)(B)(v)(II) do not apply to any alien who has been lawfully admitted to the United States under a nonimmigrant visa, if that alien is—

''(A) admitted to the United States for lawful hunting or sporting purposes or is in possession of a hunting license or permit lawfully issued in the United States;

''(B) an official representative of a foreign government who is—

''(i) accredited to the United States Government or the Government's mission to an international organization having its headquarters in the United States; or

''(ii) en route to or from another country to which that alien is accredited;

''(C) an official of a foreign government or a distinguished foreign visitor who has been so designated by the Department of State; or

''(D) a foreign law enforcement officer of a friendly foreign government entering the United States on official law enforcement business.

''(3) WAIVER.—

''(A) CONDITIONS FOR WAIVER.—Any individual who has been admitted to the United States under a nonimmigrant visa may receive a waiver from the requirements of subsection (g)(5), if—

''(i) the individual submits to the Attorney General a petition that meets the requirements of subparagraph (C); and

''(ii) the Attorney General approves the petition.

''(B) PETITION.—Each petition under subparagraph (B) shall—

''(i) demonstrate that the petitioner has resided in the United States for a continuous period of not less than 180 days before the date on which the petition is submitted under this paragraph; and

''(ii) include a written statement from the embassy or consulate of the petitioner, authorizing the petitioner to acquire a firearm or ammunition and certifying that the alien would not, absent the application of subsection (g)(5)(B), otherwise be prohibited from such acquisition under subsection (g).

''(C) APPROVAL OF PETITION.—The Attorney General shall approve a petition submitted in accordance with this paragraph, if the Attorney General determines that waiving the requirements of subsection (g)(5)(B) with respect to the petitioner—

''(i) would be in the interests of justice; and

''(ii) would not jeopardize the public safety.''.

SEC. 124. MENTAL HEALTH SCREENING AND TREATMENT FOR PRISONERS. (a) ADDITIONAL REQUIREMENTS FOR THE USE OF FUNDS UNDER THE VIOLENT OFFENDER INCARCERATION AND TRUTH-IN-SENTENCING GRANTS PROGRAM.—Section 20105(b) of the Violent Crime Control and Law Enforcement Act of 1994 is amended to read as follows:

''(b) ADDITIONAL REQUIREMENTS.—

''(1) ELIGIBILITY FOR GRANT.—To be eligible to receive a grant under section 20103 or 20104, a State shall, not later than January 1, 1999, have a program of mental health screening and treatment for appropriate categories of convicted juvenile and other offenders during periods of incarceration and juvenile and criminal justice supervision, that is consistent with guidelines issued by the Attorney General.

''(2) USE OF FUNDS.—

''(A) IN GENERAL.—Notwithstanding any other provision of this subtitle, amounts made available to a State under section 20103 or 20104 may be applied to the costs of programs described in paragraph (1), consistent with guidelines issued by the Attorney General.

''(B) ADDITIONAL USE.—In addition to being used as specified in subparagraph (A), the funds referred to in that subparagraph may be used by a State to pay the costs of providing to the Attorney General a baseline study on the mental health problems of juvenile offenders and prisoners in the State, which study shall be consistent with guidelines issued by the Attorney General.''.

SEC. 125. Section 3486(a)(1) of title 18, United States Code, is amended by inserting ''or any act or activity involving a Federal offense relating to the sexual exploitation or other abuse of children,'' after ''health care offense,''.

SEC. 126. Section 505 of the Incentive Grants for Local Delinquency Prevention Programs Act (42 U.S.C. 5784) is amended—

(1) in subsection (a)—

(A) in paragraph (6), by striking ''and'' at the end;

(B) in paragraph (7), by striking the period at the end and inserting ''; and''; and

(C) by adding at the end the following:

''(8) court supervised initiatives that address the illegal possession of firearms by juveniles.''; and

(2) in subsection (c)—

(A) in the matter preceding paragraph (1), by striking ''demonstrate ability in'';

(B) in paragraph (1), by inserting ''have in effect'' after ''(1)'';

(C) in paragraph (2)—

(i) by inserting ''have developed'' after ''(2)''; and

(ii) by striking ''and'' at the end;

(D) in paragraph (3)—

(i) by inserting ''are actively'' after ''(3)''; and

(ii) by striking the period at the end and inserting ''; and''; and

(E) by adding at the end the following:

''(4) have in effect a policy or practice that requires State and local law enforcement agencies to detain for not less than 24 hours any juvenile who unlawfully possesses a firearm in a school, upon a finding by a judicial officer that the juvenile may be a danger to himself or herself, or to the community.''.

SEC. 127. INTENSIVE FIREARMS ENFORCEMENT INITIATIVES. (a)(1) The Secretary of the Treasury shall endeavor to expand the number of cities and counties directly participating in the Youth Crime Gun Interdiction Initiative, as enhanced in this section (and referred hereafter to as ''YCGII/Exile'') to 50 cities or counties by October 1, 2000, to 75 cities or counties by October 1, 2002, and to 150 cities or counties by October 1, 2003.

(2) Cities and counties selected for participation in the YCGII/Exile shall be selected by the Secretary of the Treasury and in consultation with Federal, State and local law enforcement officials. Not later than February 1, 1999, the Secretary shall deliver to the Congress, through the Chairman of each Committee on Appropriations, a full report, empirically based, explaining the impact of the pre-existing youth crime gun interdiction initiative on Federal firearms related offenses. The report shall also state in detail the plans by the Secretary to implement this section and the establishment of YCGII/Exile program.

(b)(1) The Secretary of the Treasury shall, utilizing the information provided by the YCGII/Exile, facilitate the identification and prosecution of individuals—

(A) illegally transferring firearms to individuals, particularly to those who have not attained 24 years of age, or in violation of the Youth Handgun Safety Act; and

(B) illegally possessing firearms, particularly in violation of section 922(g) (1)–(2) of title 18, United States Code, or in violation of any provision in section 924 of title 18, United States Code, in connection with a serious drug offense or violent felony, as those terms are used in that section.

(2) Within funds appropriated in this Act for necessary expenses of the Offices of United States Attorneys, $1,500,000 shall be available for the Attorney General to hire additional assistant United States Attorneys and investigators in the City of Philadelphia, Pennsylvania, for a demonstration project to identify and prosecute individuals in possession of firearms in violation of Federal law.

(3) The Attorney General, and the United States Attorneys, shall give the highest possible prosecution priority to the offenses stated in this subsection.

(4) The Secretary of the Treasury shall share information derived from the YCGII/Exile with State and local law enforcement agencies through on-line computer access, as soon as such capability is available.

(c)(1) The Secretary of the Treasury shall award grants (in the form of funds or equipment) to States, cities, and counties for purposes of assisting such entities in the tracing of firearms and participation in the YCGII/Exile.

(2) Grants made under this part shall be used—

(A) to hire additional law enforcement personnel for the purpose of enhanced efforts in identifying and arresting individuals for the firearms offenses stated in subsection (b); and

(B) to purchase additional equipment, including automatic data processing equipment and computer software and hardware, for the timely submission and analysis of tracing data.

SEC. 128. Section 170102 of the Violent Crime Control and Law Enforcement Act of 1994 (42 U.S.C. 14072) is amended—

(1) in subsection (a)(2), by striking ''or'';

(2) in subsection (g)(3), by striking ''minimally sufficient'' and inserting ''State sexual offender''; and

(3) by amending subsection (i) to read as follows:

''(i) PENALTY.—A person who is—

''(1) required to register under paragraph (1), (2), or (3) of subsection (g) of this section and knowingly fails to comply with this section;

''(2) required to register under a sexual offender registration program in the person's State of residence and knowingly fails to register in any other State in which the person is employed, carries on a vocation, or is a student;

''(3) described in section 4042(c)(4) of title 18, United States Code, and knowingly fails to register in any State in which the person resides, is employed, carries on a vocation, or is a student following release from prison or sentencing to probation; or

''(4) sentenced by a court martial for conduct in a category specified by the Secretary of Defense under section 115(a)(8)(C) of title I of Public Law 105–119, and knowingly fails to register in any State in which the person resides, is employed, carries on a vocation, or is a student following release from prison or sentencing to probation, shall, in the case of a first offense under this subsection, be imprisoned for not more than 1 year and, in the case of a second or subsequent offense under this subsection, be imprisoned for not more than 10 years.''.

SEC. 129. (a) IN GENERAL.—Section 200108 of the Police Corps Act (42 U.S.C. 14097) is amended by striking subsection (b) and inserting the following:

''(b) TRAINING SESSIONS.—A participant in a State Police Corps program shall attend up to 24 weeks, but no less than 16 weeks, of training at a residential training center. The Director may approve training conducted in not more than 3 separate sessions.''.

(b) CONFORMING AMENDMENT.—Section 200108 (c) of the Police Corps Act (42 U.S.C. 14097(c)) is amended by striking ''16 weeks of''.

(c) REAUTHORIZATION.—Section 200112 of the Police Corps Act (42 U.S.C. 14101) is amended by striking ''$20,000'' and all that follows before the period and inserting ''$50,000,000 for fiscal year 1999, $70,000,000 for fiscal year 2000, $90,000,000 for fiscal year 2001, and $90,000,000 for fiscal year 2002''.

SEC. 130. INTERNET PREDATOR PREVENTION. (a) PROHIBITION AND PENALTIES.—Chapter 110 of title 18, United States Code, is amended by adding at the end the following:

''§ 2261. Publication of identifying information relating to a minor for criminal sexual purposes

''(a) DEFINITION OF IDENTIFYING INFORMATION RELATING TO A MINOR.—In this section, the term 'identifying information relating to a minor' includes the name, address, telephone number, social security number, or e-mail address of a minor.

''(b) PROHIBITION AND PENALTIES.—Whoever, through the use of any facility in or affecting interstate or foreign commerce (including any interactive computer service) publishes, or causes to be published, any identifying information relating to a minor who has not attained the age of 17 years, for the purpose of soliciting any person to engage in any sexual activity for which the person can be charged with criminal offense under Federal or State law, shall be imprisoned not less than 1 and not more than 5 years, fined under this title, or both.''.

(b) TECHNICAL AMENDMENT.—The analysis for chapter 110 of title 18, United States Code, is amended by adding at the end the following:

''2261. Publication of identifying information relating to a minor for criminal sexual purposes.''.

SEC. 131. TRANSFER OF COUNTY.— (a) Section 118 of title 28, United States Code, is amended—

(1) in subsection (a) by striking ''Philadelphia, and Schuylkill'' and inserting ''and Philadelphia''; and

(2) in subsection (b) by inserting ''Schuylkill,'' after ''Potter,''.

(b) EFFECTIVE DATE.—

(1) IN GENERAL.—This section and the amendments made by this section shall take effect 180 days after the date of the enactment of this Act.

(2) PENDING CASES NOT AFFECTED.—This section and the amendments made by this section shall not affect any action commenced before the effective date of this section and pending on such date in the United States District Court for the Eastern District of Pennsylvania.

(3) JURIES NOT AFFECTED.—This section and the amendments made by this section shall not affect the composition, or preclude the service, of any grand or petit jury summoned, impaneled, or actually serving on the effective date of this section.

SEC. 132. SPECIAL MASTERS FOR CIVIL ACTIONS CONCERNING PRISON CONDITIONS. Section 3626(f) of title 18, United States Code, is amended—

(1) by striking the subsection heading and inserting the following:

''(f) SPECIAL MASTERS FOR CIVIL ACTIONS CONCERNING PRISON CONDITIONS.—''; and

(2) in paragraph (4)—

(A) by inserting ''(A)'' after ''(4)'';

(B) in subparagraph (A), as so designated, by adding at the end the following: ''In no event shall a court require a party to a civil action under this subsection to pay the compensation, expenses, or costs of a special master. Notwithstanding any other provision of law (including section 306 of the Act entitled 'An Act making appropriations for the Departments of Commerce, Justice, and State, the Judiciary, and related agencies for the fiscal year ending September 30, 1997,' contained in section 101(a) of title I of division A of the Act entitled 'An Act making omnibus consolidated appropriations for the fiscal year ending September 30, 1997' (110 Stat. 3009–201)) and except as provided in subparagraph (B), the requirement under the preceding sentence shall apply to the compensation and payment of expenses or costs of a special master for any action that is commenced, before, on, or after the date of enactment of the Prison Litigation Reform Act of 1995.''; and

(C) by adding at the end the following:

''(B) The payment requirements under subparagraph (A) shall not apply to the payment to a special master who was appointed before the date of enactment of the Prison Litigation Reform Act of 1995 (110 Stat. 1321–165 et seq.) of compensation, expenses, or costs relating to activities of the special master under this subsection that were carried out during the period beginning on the date of enactment of the Prison Litigation Reform Act of 1995 and ending on the date of enactment of this subparagraph.''.

SEC. 133. CRIMINAL BACKGROUND CHECKS FOR APPLICANTS FOR EMPLOYMENT IN NURSING FACILITIES AND HOME HEALTH CARE AGENCIES. (a) AUTHORITY TO CONDUCT BACKGROUND CHECKS.—

(1) IN GENERAL.—A nursing facility or home health care agency may submit a request to the Attorney General to conduct a search and exchange of records described in subsection (b) regarding an applicant for employment if the employment position is involved in direct patient care.

(2) SUBMISSION OF REQUESTS.—A nursing facility or home health care agency requesting a search and exchange of records under this section shall submit to the Attorney General a copy of an employment applicant's fingerprints, a statement signed by the applicant authorizing the nursing facility or home health care agency to request the search and exchange of records, and any other identification information not more than 7 days (excluding Saturdays, Sundays, and legal public holidays under section 6103(a) of title 5, United States Code) after acquiring the fingerprints, signed statement, and information.

(b) SEARCH AND EXCHANGE OF RECORDS.—Pursuant to any submission that complies with the requirements of subsection (a), the Attorney General shall search the records of the Criminal Justice Information Services Division of the Federal Bureau of Investigation for any criminal history records corresponding to the fingerprints or other identification information submitted. The Attorney General shall provide any corresponding information resulting from the search to the appropriate State or local governmental agency authorized to receive such information.

(c) USE OF INFORMATION.—Information regarding an applicant for employment in a nursing facility or home health care agency obtained pursuant to this section may be used only by the facility or agency requesting the information and only for the purpose of determining the suitability of the applicant for employment by the facility or agency in a position involved in direct patient care.

(d) FEES.—The Attorney General may charge a reasonable fee, not to exceed $50 per request, to any nursing facility or home health care agency requesting a search and exchange of records pursuant to this section to cover the cost of conducting the search and providing the records.

(e) REPORT.—Not later than 2 years after the date of enactment of this Act, the Attorney General shall submit a report to Congress on the number of requests for searches and exchanges of records made under this section by nursing facilities and home health care agencies and the disposition of such requests.

(f) CRIMINAL PENALTY.—Whoever knowingly uses any information obtained pursuant to this section for a purpose other than as authorized under subsection (c) shall be fined in accordance with title 18, United States Code, imprisoned for not more than 2 years, or both.

(g) IMMUNITY FROM LIABILITY.—A nursing facility or home health care agency that, in denying employment for an applicant, reasonably relies upon information provided by the Attorney General pursuant to this section shall not be liable in any action brought by the applicant based on the employment determination resulting from the incompleteness or inaccuracy of the information.

(h) REGULATIONS.—The Attorney General may promulgate such regulations as are necessary to carry out this section, including regulations regarding the security, confidentiality, accuracy, use, destruction, and dissemination of information, audits and recordkeeping, the imposition of fees necessary for the recovery of costs, and any necessary modifications to the definitions contained in subsection (i).

(i) DEFINITIONS.—In this section:

(1) HOME HEALTH CARE AGENCY.—The term ''home health care agency'' means an agency that provides home health care or personal care services on a visiting basis in a place of residence.

(2) NURSING FACILITY.—The term ''nursing facility'' means a facility or institution (or a distinct part of an institution) that is primarily engaged in providing to residents of the facility or institution nursing care, including skilled nursing care, and related services for individuals who require medical or nursing care.

(j) APPLICABILITY.—This section shall apply without fiscal year limitation.

SEC. 134. None of the funds made available to the Department of Justice under this Act may be used for any expense relating to, or as reimbursement for any expense incurred in connection with, any foreign travel by an officer or employee of the Antitrust Division of the Department of Justice, if that foreign travel is for the purpose, in whole or in part, of soliciting or otherwise encouraging any antitrust action by a foreign country against a United States company that is a defendant in any antitrust action pending in the United States in which the United States is a plaintiff: *Provided, however,* that this section shall not—(1) limit the ability of the Department to investigate potential violations of United States antitrust laws; or (2) prohibit assistance authorized pursuant to sections 6201–6212 of title 15, United States Code, or pursuant to a ratified treaty between the United States and a foreign government, or other international agreement to which the United States is a party.

SEC. 135. EXCEPTION TO GROUNDS OF REMOVAL. Section 237 of the Immigration and Nationality Act (8 U.S.C. 1227) is amended by adding at the end the following new subsection:

''(d) This section shall not apply to any alien who was issued a visa or otherwise acquired the status of an alien lawfully admitted to the United States for permanent residence under section 201(b)(2)(A)(i) as an orphan described in section 101(b)(1)(F), unless that alien has knowingly declined United States citizenship.''.

SEC. 136. PROTECTION OF PERSONAL AND FINANCIAL INFORMATION OF CORRECTIONS OFFICERS. Notwithstanding any other provision of law, in any action brought by a prisoner under section 1979 of the Revised Statutes (42 U.S.C. 1983) against a Federal, State, or local jail, prison, or correctional facility, or any employee or former employee thereof, arising out of the incarceration of that prisoner—

(1) the financial records of a person employed or formerly employed by the Federal, State, or local jail, prison, or correctional facility, shall not be subject to disclosure without the written consent of that person or pursuant to a court order, unless a verdict of liability has been entered against that person; and

(2) the home address, home phone number, social security number, identity of family members, personal tax returns, and personal banking information of a person described in paragraph (1), and any other records or information of a similar nature relating to that person, shall not be subject to disclosure without the written consent of that person, or pursuant to a court order.

SEC. 137. EXTENSION OF TEMPORARY PROTECTED STATUS FOR CERTAIN NATIONALS OF LIBERIA. (a) CONTINUATION OF STATUS.—Notwithstanding any other provision of law, any alien described in subsection (b) who, as of the date of enactment of this Act, is registered for temporary protected status in the United States under section 244(c)(1)(A)(iv) of the Immigration and Nationality Act (8 U.S.C. 1254a(c)(1)(A)(iv)), or any predecessor law, order, or regulation, shall be entitled to maintain that status through September 30, 1999.

(b) COVERED ALIENS.—An alien referred to in subsection (a) is a national of Liberia or an alien who has no nationality and who last habitually resided in Liberia.

SEC. 138. ADJUSTMENT OF STATUS OF CERTAIN ASYLEES IN GUAM. (a) ADJUSTMENT OF STATUS.—

(1) EXEMPTION FROM NUMERICAL LIMITATIONS.—The numerical limitation set forth in section 209(b) of the Immigration and Nationality Act (8 U.S.C. 1159(b)) shall not apply to any alien described in subsection (b).

(2) LIMITATION ON FEES.—

(A) IN GENERAL.—Any alien described in subsection (b) who applies for adjustment of status to that of an alien lawfully admitted for permanent residence under section 209(b) of that Act shall not be required to pay any fee for employment authorization or for adjustment of status in excess of the fee imposed on a refugee admitted under section 207(a) of that Act for employment authorization or adjustment of status.

(B) EFFECTIVE DATE.—This paragraph shall apply to applications for employment authorization or adjustment of status filed before, on, or after the date of enactment of this Act.

(b) COVERED ALIENS.—An alien described in subsection (a) is an alien who was a United States Government employee, employee of a nongovernmental organization based in the United States, or other Iraqi national who was moved to Guam by the United States Government in 1996 or 1997 pursuant to an arrangement made by the United States Government, and who was granted asylum in the United States under section 208(a) of the Immigration and Nationality Act (8 U.S.C. 1158(a)).

SEC. 139. For fiscal year 1999 and thereafter, for any report which is required or authorized by this Act to be submitted or delivered to the Committee on Appropriations of the Senate or of the House of Representatives by the Department of Justice or any component, agency, or bureau thereof, or which concerns matters within the jurisdiction of the Committee on the Judiciary of the Senate or of the House of Representatives, a copy of such report shall be submitted to the Committees on the Judiciary of the Senate and of the House of Representatives concurrently as the report is submitted to the Committee on Appropriations of the Senate or of the House of Representatives.

SEC. 140. (a) IN GENERAL.—Part T of title I of the Omnibus Crime Control and Safe Streets Act of 1968 is amended—

(1) in section 2001 (42 U.S.C. 3796gg)—

(A) in subsection (a)—

(i) by inserting '', including older women'' after ''combat violent crimes against women''; and

(ii) by inserting '', including older women'' before the period; and

(B) in subsection (b)—

(i) in the matter before subparagraph (A), by inserting '', including older women'' after ''against women'';

(ii) in paragraph (6), by striking ''and' after the semicolon;

(iii) in paragraph (7), by striking the period and inserting ''; and''; and

(iv) by adding at the end the following:

''(8) developing, through the oversight of the State administrator, a curriculum to train and assist law enforcement officers, prosecutors, and relevant officers of Federal, State, tribal, and local courts in recognizing, addressing, investigating, and prosecuting instances involving elder domestic abuse, including domestic violence and sexual assault against older individuals.'';

(2) in section 2002(c)(2) (42 U.S.C. 3796gg-1), by inserting ''and elder domestic abuse experts'' after ''victim services programs''; and

(3) in section 2003 (42 U.S.C. 3796gg-2)—

(A) in paragraph (7), by striking ''and' after the semicolon;

(B) in paragraph (8), by striking the period and inserting ''; and''; and

(C) by adding at the end the following:

''(9) the term 'elder' has the same meaning as the term 'older individual' in section 102 of the Older Americans Act of 1965 (42 U.S.C. 3002); and

''(10) the term 'domestic abuse' means an act or threat of violence, not including an act of self-defense, committed by—

''(A) a current or former spouse of the victim;

''(B) a person related by blood or marriage to the victim;

''(C) a person who is cohabitating with or has cohabitated with the victim;

''(D) a person with whom the victim shares a child in common;

''(E) a person who is or has been in the social relationship of a romantic or intimate nature with the victim; and

''(F) a person similarly situated to a spouse of the victim, or by any other person; if the domestic or family violence laws of the jurisdiction of the victim provide for legal protection of the victim from the person.''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to grants beginning with fiscal year 1999.

SEC. 141. CHILD EXPLOITATION SENTENCING ENHANCEMENT. (a) DEFINITIONS.—In this section:

(1) CHILD; CHILDREN.—The term ''child'' or ''children'' means a minor or minors of an age specified in the applicable provision of title 18, United States Code, that is subject to review under this section.

(2) MINOR.—The term ''minor'' means any individual who has not attained the age of 18, except that, with respect to references to section 2243 of title 18, United States Code, the term means an individual described in subsection (a) of that section.

(b) INCREASED PENALTIES FOR USE OF A COMPUTER IN THE SEXUAL ABUSE OR EXPLOITATION OF A CHILD.—Pursuant to the authority granted to the United States Sentencing Commission under section 994(p) of title 28, United States Code, the United States Sentencing Commission shall—

(1) review the Federal sentencing guidelines on aggravated sexual abuse under section 2241 of title 18, United States Code, sexual abuse under section 2242 of title 18, United States Code, sexual abuse of a minor or ward under section 2243 of title 18, United States Code, coercion and enticement of a juvenile under section 2422(b) of title 18, United States Code, and transportation of minors under section 2423 of title 18, United States Code; and

(2) upon completion of the review under paragraph (1), promulgate amendments to the Federal sentencing guidelines to provide

an appropriate sentencing enhancement if the defendant used a computer with the intent to persuade, induce, entice, or coerce a child of an age specified in the applicable provision referred to in paragraph (1) to engage in any prohibited sexual activity.

(c) INCREASED PENALTIES FOR KNOWING MISREPRESENTATION IN THE SEXUAL ABUSE OR EXPLOITATION OF A CHILD.—Pursuant to the authority granted to the United States Sentencing Commission under section 994(p) of title 28, United States Code, the United States Sentencing Commission shall—

(1) review the Federal sentencing guidelines on aggravated sexual abuse under section 2241 of title 18, United States Code, sexual abuse under section 2242 of title 18, United States Code, sexual abuse of a minor or ward under section 2243 of title 18, United States Code, coercion and enticement of a juvenile under section 2422(b) of title 18, United States Code, and transportation of minors under section 2423 of title 18, United States Code; and

(2) upon completion of the review under paragraph (1), promulgate amendments to the Federal sentencing guidelines to provide an appropriate sentencing enhancement if the defendant knowingly misrepresented the actual identity of the defendant with the intent to persuade, induce, entice, or coerce a child of an age specified in the applicable provision referred to in paragraph (1) to engage in a prohibited sexual activity.

(d) INCREASED PENALTIES FOR PATTERN OF ACTIVITY OF SEXUAL EXPLOITATION OF CHILDREN.—Pursuant to the authority granted to the United States Sentencing Commission under section 994(p) of title 28, United States Code, the United States Sentencing Commission shall—

(1) review the Federal sentencing guidelines on criminal sexual abuse, the production of sexually explicit material, the possession of materials depicting a child engaging in sexually explicit conduct, coercion and enticement of minors, and the transportation of minors; and

(2) upon completion of the review under paragraph (1), promulgate amendments to the Federal sentencing guidelines to provide an appropriate sentencing enhancement applicable to the offenses referred to in paragraph (1) in any case in which the defendant engaged in a pattern of activity involving the sexual abuse or exploitation of a minor.

(e) REPEAT OFFENDERS; INCREASED MAXIMUM PENALTIES FOR TRANSPORTATION FOR ILLEGAL SEXUAL ACTIVITY AND RELATED CRIMES.—

(1) REPEAT OFFENDERS.—

(A) CHAPTER 117.—

(i) IN GENERAL.—Chapter 117 of title 18, United States Code, is amended by adding at the end the following:

"§ 2425. Repeat offenders

''(a) IN GENERAL.—Any person described in this subsection shall be subject to the punishment under subsection (b). A person described in this subsection is a person who violates a provision of this chapter, after one or more prior convictions—

''(1) for an offense punishable under this chapter, or chapter 109A or 110; or

''(2) under any applicable law of a State relating to conduct punishable under this chapter, or chapter 109A or 110.

''(b) PUNISHMENT.—A violation of a provision of this chapter by a person described in subsection (a) is punishable by a term of imprisonment of a period not to exceed twice the period that would otherwise apply under this chapter.''.

(ii) CONFORMING AMENDMENT.—The analysis for chapter 117 of title 18, United States Code, is amended by adding at the end the following:

''2425. Repeat offenders.''.

(B) CHAPTER 109A.—Section 2247 of title 18, United States Code, is amended to read as follows:

"§ 2247. Repeat offenders

''(a) IN GENERAL.—Any person described in this subsection shall be subject to the punishment under subsection (b). A person described in this subsection is a person who violates a provision of this chapter, after one or more prior convictions—

''(1) for an offense punishable under this chapter, or chapter 110 or 117; or

''(2) under any applicable law of a State relating to conduct punishable under this chapter, or chapter 110 or 117.

''(b) PUNISHMENT.—A violation of a provision of this chapter by a person described in subsection (a) is punishable by a term of imprisonment of a period not to exceed twice the period that would otherwise apply under this chapter.''.

(2) INCREASED MAXIMUM PENALTIES FOR TRANSPORTATION FOR ILLEGAL SEXUAL ACTIVITY AND RELATED CRIMES.—

(A) TRANSPORTATION GENERALLY.—Section 2421 of title 18, United States Code, is amended by striking ''five'' and inserting ''10''.

(B) COERCION AND ENTICEMENT OF MINORS.—Section 2422 of title 18, United States Code, is amended—

(i) in subsection (a), by striking ''five'' and inserting ''10''; and

(ii) in subsection (b), by striking ''10'' and inserting ''15''.

(C) TRANSPORTATION OF MINORS.—Section 2423 of title 18, United States Code, is amended—

(i) in subsection (a), by striking ''ten'' and inserting ''15''; and

(ii) in subsection (b), by striking ''10'' and inserting ''15''.

(3) AMENDMENT OF SENTENCING GUIDELINES.—Pursuant to the authority granted to the United States Sentencing Commission under section 994(p) of title 28, United States Code, the United States Sentencing Commission shall—

(A) review the Federal sentencing guidelines relating to chapter 117 of title 18, United States Code; and

(B) upon completion of the review under subparagraph (A), promulgate such amendments to the Federal sentencing guidelines as are necessary to provide for the amendments made by this subsection.

(f) CLARIFICATION OF DEFINITION OF DISTRIBUTION OF PORNOGRAPHY.—Pursuant to the authority granted to the United States Sentencing Commission under section 994(p) of title 28, United States Code, the United States Sentencing Commission shall—

(1) review the Federal sentencing guidelines relating to the distribution of pornography covered under chapter 110 of title 18, United States Code, relating to the sexual exploitation and other abuse of children; and

(2) upon completion of the review under paragraph (1), promulgate such amendments to the Federal sentencing guidelines as are necessary to clarify that the term ''distribution of pornography'' applies to the distribution of pornography—

(A) for monetary remuneration; or

(B) for a nonpecuniary interest.

(g) DIRECTIVE TO THE UNITED STATES SENTENCING COMMISSION.—In carrying out this section, the United States Sentencing Commission shall—

(1) with respect to any action relating to the Federal sentencing guidelines subject to this section, ensure reasonable consistency with other guidelines of the Federal sentencing guidelines; and

(2) with respect to an offense subject to the Federal sentencing guidelines, avoid duplicative punishment under the guidelines for substantially the same offense.

(h) AUTHORIZATION FOR GUARDIANS AD LITEM.—

(1) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Department of Justice, for the purpose specified in paragraph (2), such sums as may be necessary for each of fiscal years 1998 through 2001.

(2) PURPOSE.—The purpose specified in this paragraph is the procurement, in accordance with section 3509(h) of title 18, United States Code, of the services of individuals with sufficient professional training, experience, and familiarity with the criminal justice system, social service programs, and child abuse issues to serve as guardians ad litem for children who are the victims of, or witnesses to, a crime involving abuse or exploitation.

(i) APPLICABILITY.—This section and the amendments made by this section shall apply to any action that commences on or after the date of enactment of this Act.

This title may be cited as the ''Department of Justice Appropriations Act, 1999''.

TITLE II—DEPARTMENT OF COMMERCE AND RELATED AGENCIES

TRADE AND INFRASTRUCTURE DEVELOPMENT

RELATED AGENCIES

OFFICE OF THE UNITED STATES TRADE REPRESENTATIVE

SALARIES AND EXPENSES

For necessary expenses of the Office of the United States Trade Representative, including the hire of passenger motor vehicles and the employment of experts and consultants as authorized by 5 U.S.C. 3109, $24,836,000, of which $2,500,000 shall remain available until expended: *Provided*, That not to exceed $98,000 shall be available for official reception and representation expenses.

INTERNATIONAL TRADE COMMISSION

SALARIES AND EXPENSES

For necessary expenses of the International Trade Commission, including hire of passenger motor vehicles, and services as authorized by 5 U.S.C. 3109, and not to exceed $2,500 for official reception and representation expenses, $45,500,000 to remain available until expended.

DEPARTMENT OF COMMERCE

INTERNATIONAL TRADE ADMINISTRATION

OPERATIONS AND ADMINISTRATION

For necessary expenses for international trade activities of the Department of Commerce provided for by law, and engaging in trade promotional activities abroad, including expenses of grants and cooperative agreements for the purpose of promoting exports of United States firms, without regard to 44 U.S.C. 3702 and 3703; full medical coverage for dependent members of immediate families of employees stationed overseas and employees temporarily posted overseas; travel and transportation of employees of the United States and Foreign Commercial Service between two points abroad, without regard to 49 U.S.C. 1517; employment of Americans and aliens by contract for services; rental of space abroad for periods not exceeding ten years, and expenses of alteration, repair, or improvement; purchase or construction of temporary demountable exhibition structures for use abroad; payment of tort claims, in the manner authorized in the first paragraph of 28 U.S.C. 2672 when such claims arise in foreign countries; not to exceed $327,000 for official representation expenses abroad; purchase of passenger motor vehicles for official use abroad, not to exceed $30,000 per vehicle; obtain insurance on official motor vehicles; and rent tie lines and teletype equipment; $310,167,000, to remain available until expended: *Provided*, That of the $318,167,000 provided for in direct obligations

(of which $304,167,000 is appropriated from the General Fund, and $8,000,000 is derived from unobligated balances and deobligations from prior years and $6,000,000 is from fees), $69,826,000 shall be for Trade Development, $20,379,000 shall be for Market Access and Compliance, $31,047,000 shall be for the Import Administration, $177,000,000 shall be for the United States and Foreign Commercial Service, and $11,915,000 shall be for Executive Direction and Administration: *Provided further*, That the provisions of the first sentence of section 105(f) and all of section 108(c) of the Mutual Educational and Cultural Exchange Act of 1961 (22 U.S.C. 2455(f) and 2458(c)) shall apply in carrying out these activities without regard to section 5412 of the Omnibus Trade and Competitiveness Act of 1988 (15 U.S.C. 4912); and that for the purpose of this Act, contributions under the provisions of the Mutual Educational and Cultural Exchange Act shall include payment for assessments for services provided as part of these activities.

EXPORT ADMINISTRATION

OPERATIONS AND ADMINISTRATION

For necessary expenses for export administration and national security activities of the Department of Commerce, including costs associated with the performance of export administration field activities both domestically and abroad; full medical coverage for dependent members of immediate families of employees stationed overseas; employment of Americans and aliens by contract for services abroad; rental of space abroad for periods not exceeding ten years, and expenses of alteration, repair, or improvement; payment of tort claims, in the manner authorized in the first paragraph of 28 U.S.C. 2672 when such claims arise in foreign countries; not to exceed $15,000 for official representation expenses abroad; awards of compensation to informers under the Export Administration Act of 1979, and as authorized by 22 U.S.C. 401(b); purchase of passenger motor vehicles for official use and motor vehicles for law enforcement use with special requirement vehicles eligible for purchase without regard to any price limitation otherwise established by law; $45,671,000 to remain available until expended, of which $1,877,000 shall be for inspections and other activities related to national security: *Provided*, That the provisions of the first sentence of section 105(f) and all of section 108(c) of the Mutual Educational and Cultural Exchange Act of 1961 (22 U.S.C. 2455(f) and 2458(c)) shall apply in carrying out these activities: *Provided further*, That payments and contributions collected and accepted for materials or services provided as part of such activities may be retained for use in covering the cost of such activities, and for providing information to the public with respect to the export administration and national security activities of the Department of Commerce and other export control programs of the United States and other governments.

ECONOMIC DEVELOPMENT ADMINISTRATION

ECONOMIC DEVELOPMENT ASSISTANCE PROGRAMS

For grants for economic development assistance as provided by the Public Works and Economic Development Act of 1965, as amended, Public Law 91–304, and such laws that were in effect immediately before September 30, 1982, and for trade adjustment assistance, $280,775,000: *Provided*, That none of the funds appropriated or otherwise made available under this heading may be used directly or indirectly for attorneys' or consultants' fees in connection with securing grants and contracts made by the Economic Development Administration: *Provided further*, That, notwithstanding any other provision of law, the Secretary of Commerce may provide financial assistance for projects to be located on military installations closed or scheduled for closure or realignment to grantees eligible for assistance under the Public Works and Economic Development Act of 1965, as amended, without it being required that the grantee have title or ability to obtain a lease for the property, for the useful life of the project, when in the opinion of the Secretary of Commerce, such financial assistance is necessary for the economic development of the area: *Provided further*, That the Secretary of Commerce may, as the Secretary considers appropriate, consult with the Secretary of Defense regarding the title to land on military installations closed or scheduled for closure or realignment.

SALARIES AND EXPENSES

For necessary expenses of administering the economic development assistance programs as provided for by law, $22,465,000: *Provided*, That these funds may be used to monitor projects approved pursuant to title I of the Public Works Employment Act of 1976, as amended, title II of the Trade Act of 1974, as amended, and the Community Emergency Drought Relief Act of 1977.

MINORITY BUSINESS DEVELOPMENT AGENCY

MINORITY BUSINESS DEVELOPMENT

For necessary expenses of the Department of Commerce in fostering, promoting, and developing minority business enterprise, including expenses of grants, contracts, and other agreements with public or private organizations, $25,276,000.

ECONOMIC AND INFORMATION INFRASTRUCTURE

ECONOMIC AND STATISTICAL ANALYSIS

SALARIES AND EXPENSES

For necessary expenses, as authorized by law, of economic and statistical analysis programs of the Department of Commerce, $49,169,000, to remain available until September 30, 1999.

ECONOMICS AND STATISTICS ADMINISTRATION

REVOLVING FUND

The Secretary of Commerce is authorized to disseminate economic and statistical data products as authorized by sections 1, 2, and 4 of Public Law 91–412 (15 U.S.C. 1525–1527) and, notwithstanding section 5412 of the Omnibus Trade and Competitiveness Act of 1988 (15 U.S.C. 4912), charge fees necessary to recover the full costs incurred in their production. Notwithstanding 31 U.S.C. 3302, receipts received from these data dissemination activities shall be credited to this account, to be available for carrying out these purposes without further appropriation.

BUREAU OF THE CENSUS

SALARIES AND EXPENSES

For expenses necessary for collecting, compiling, analyzing, preparing, and publishing statistics, provided for by law, $141,801,000.

PERIODIC CENSUSES AND PROGRAMS

For expenses necessary to conduct the decennial census, $848,503,000, to remain available until expended: *Provided*, That the Department of Commerce shall submit a quarterly report to the Appropriations Committees of both Houses on the status and implementation of key decennial census milestones during fiscal year 1999.

In addition, for expenses to collect and publish statistics for other periodic censuses and programs provided for by law, $153,955,000, to remain available until expended.

NATIONAL TELECOMMUNICATIONS AND INFORMATION ADMINISTRATION

SALARIES AND EXPENSES

For necessary expenses, as provided for by law, of the National Telecommunications and Information Administration (NTIA), $10,940,000, to remain available until expended: *Provided*, That notwithstanding 31 U.S.C. 1535(d), the Secretary of Commerce shall charge Federal agencies for costs incurred in spectrum management, analysis, and operations, and related services and such fees shall be retained and used as offsetting collections for costs of such spectrum services, to remain available until expended: *Provided further*, That hereafter, notwithstanding any other provision of law, NTIA shall not authorize spectrum use or provide any spectrum functions pursuant to the NTIA Organization Act, 47 U.S.C. §§ 902–903, to any Federal entity without reimbursement as required by NTIA for such spectrum management costs, and Federal entities withholding payment of such cost shall not use spectrum: *Provided further*, That the Secretary of Commerce is authorized to retain and use as offsetting collections all funds transferred, or previously transferred, from other Government agencies for all costs incurred in telecommunications research, engineering, and related activities by the Institute for Telecommunication Sciences of the NTIA, in furtherance of its assigned functions under this paragraph, and such funds received from other Government agencies shall remain available until expended.

PUBLIC TELECOMMUNICATIONS FACILITIES, PLANNING AND CONSTRUCTION

For grants authorized by section 392 of the Communications Act of 1934, as amended, $20,900,000, to remain available until expended as authorized by section 391 of the Act, as amended: *Provided*, That not to exceed $1,500,000 shall be available for program administration as authorized by section 391 of the Act: *Provided further*, That notwithstanding the provisions of section 391 of the Act, the prior year unobligated balances may be made available for grants for projects for which applications have been submitted and approved during any fiscal year.

INFORMATION INFRASTRUCTURE GRANTS

For grants authorized by section 392 of the Communications Act of 1934, as amended, $11,000,000, to remain available until expended as authorized by section 391 of the Act, as amended: *Provided*, That not to exceed $3,000,000 shall be available for program administration and other support activities as authorized by section 391: *Provided further*, That none of the funds appropriated under this heading shall be used to make a grant to an applicant that is an entity that is eligible to receive preferential rates or treatment under section 254(h) of the Communications Act of 1934 (47 U.S.C. 254(h)) or assistance under the regional information sharing systems grant program of the Department of Justice under part M of title I of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3796h).

PATENT AND TRADEMARK OFFICE

SALARIES AND EXPENSES

For necessary expenses of the Patent and Trademark Office provided for by law, including defense of suits instituted against the Commissioner of Patents and Trademarks, $785,526,000, to remain available until expended: *Provided*, That of this amount, $785,526,000 shall be derived from offsetting collections assessed and collected pursuant to 15 U.S.C. 113 and 35 U.S.C. 41 and 376 and shall be retained and used for necessary expenses in this appropriation: *Provided further*, That the sum herein appropriated from the General Fund shall be reduced as such offsetting collections are received during fiscal year 1999, so as to result in a final fiscal year 1999 appropriation from the General Fund estimated at $0: *Provided further*, That beginning on October 1, 1998, the Commissioner of

Patents and Trademarks shall establish a surcharge on all fees charged under 35 U.S.C. 41(a) and (b) in order to ensure that $132,000,000 is collected: *Provided further*, That surcharges established under this authority may take effect on October 1, 1998, and that Section 553 of title 5, United States Code, shall not apply to the establishment of such surcharges: *Provided further*, That upon enactment of a statute reauthorizing the Patent and Trademark Office or establishing a successor agency or agencies, and upon the subsequent establishment of a new patent fee schedule, the surcharge established in this Act shall expire: *Provided further*, That during fiscal year 1999, should the total amount of offsetting collections be less than $785,526,000, the total amounts available to the Patent and Trademark Office shall be reduced accordingly: *Provided further*, That the standard build-out costs of the Patent and Trademark Office shall not exceed $36.69 per occupiable square foot for office-type space (which constitutes the amount specified in the Advanced Acquisition program of the General Services Administration) and shall not exceed an aggregate amount equal to $88,000,000: *Provided further*, That the moving costs of the Patent and Trademark Office (which shall include the costs of moving, furniture, telephone, and data installation) shall not exceed $135,000,000: *Provided further*, That the portion of the moving costs referred to in the preceding proviso that may be used for alterations that are above standard costs may not exceed $29,000,000.

SCIENCE AND TECHNOLOGY

TECHNOLOGY ADMINISTRATION

UNDER SECRETARY FOR TECHNOLOGY/OFFICE OF TECHNOLOGY POLICY

SALARIES AND EXPENSES

For necessary expenses for the Under Secretary for Technology/Office of Technology Policy, $9,993,000, of which not to exceed $1,600,000 shall remain available until September 30, 2000.

NATIONAL INSTITUTE OF STANDARDS AND TECHNOLOGY

SCIENTIFIC AND TECHNICAL RESEARCH AND SERVICES

For necessary expenses of the National Institute of Standards and Technology, $290,636,000, to remain available until expended, of which not to exceed $5,000,000 shall be used to fund a cooperative agreement with Montana State University for a research program on green buildings; and of which not to exceed $1,625,000 may be transferred to the ''Working Capital Fund'': *Provided*, That $2,300,000 shall be used to expand the Malcolm Baldrige National Quality Award program established under section 17 of the Stevenson-Wydler Technology Innovation Act of 1980 (15 U.S.C. 3711a): *Provided further*, That none of the funds appropriated or otherwise made available by this Act for the ''Malcolm Baldrige National Quality Award'' may be obligated or expended unless such obligation or expenditure is expressly authorized by enactment of a subsequent Act.

INDUSTRIAL TECHNOLOGY SERVICES

For necessary expenses of the Manufacturing Extension Partnership of the National Institute of Standards and Technology, $106,800,000, to remain available until expended, of which not to exceed $300,000 may be transferred to the ''Working Capital Fund'': *Provided*, That notwithstanding the time limitations imposed by 15 U.S.C. 278k(c)(1) and (5) on the duration of Federal financial assistance that may be awarded by the Secretary of Commerce to Regional Centers for the transfer of Manufacturing Technology (''Centers''), such Federal financial assistance for a Center may continue beyond six years and may be renewed for additional periods, not to exceed one year, at a rate not to exceed one-third of the Center's total annual costs, subject before any such renewal to a positive evaluation of the Center and to a finding by the Secretary of Commerce that continuation of Federal funding to the Center is in the best interest of the Regional Centers for the transfer of Manufacturing Technology Program: *Provided further*, That the Center's most recent performance evaluation is positive, and the Center has submitted a reapplication which has successfully passed merit review.

In addition, for necessary expenses of the Advanced Technology Program of the National Institute of Standards and Technology, $192,500,000, to remain available until expended, of which not to exceed $38,700,000 shall be available for the award of new grants, and of which not to exceed $500,000 may be transferred to the ''Working Capital Fund''.

CONSTRUCTION OF RESEARCH FACILITIES

For construction of new research facilities, including architectural and engineering design, and for renovation of existing facilities, not otherwise provided for the National Institute of Standards and Technology, as authorized by 15 U.S.C. 278c–278e, $56,714,000, to remain available until expended.

NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION

OPERATIONS, RESEARCH, AND FACILITIES

(INCLUDING TRANSFERS OF FUNDS)

For necessary expenses of activities authorized by law for the National Oceanic and Atmospheric Administration, including maintenance, operation, and hire of aircraft; grants, contracts, or other payments to nonprofit organizations for the purposes of conducting activities pursuant to cooperative agreements; and relocation of facilities as authorized by 33 U.S.C. 883i; $1,608,914,000, to remain available until expended: *Provided*, That fees and donations received by the National Ocean Service for the management of the national marine sanctuaries may be retained and used for the salaries and expenses associated with those activities, notwithstanding 31 U.S.C. 3302: *Provided further*, That in addition, $63,073,000 shall be derived by transfer from the fund entitled ''Promote and Develop Fishery Products and Research Pertaining to American Fisheries'': *Provided further*, That grants to States pursuant to sections 306 and 306A of the Coastal Zone Management Act of 1972, as amended, shall not exceed $2,000,000: *Provided further*, That unexpended balances in the accounts ''Construction'' and ''Fleet Modernization, Shipbuilding and Conversion'' shall be transferred to and merged with this account, to remain available until expended for the purposes for which the funds were originally appropriated: *Provided further*, That of the $10,500,000 available for the estuarine research reserve system, $2,000,000 shall be made available for the Office of response and restoration and $1,160,000 shall be made available for Navigation services, mapping and charting: *Provided further*, That of funds made available for the National Marine Fisheries Service information collection and analyses, $400,000 shall be made available to continue Atlantic Herring and Mackerel studies: *Provided further*, That of the $8,500,000 provided for the interstate fisheries commissions, $7,000,000 shall be provided to the Atlantic States Marine Fisheries Commission for the Atlantic Coastal Cooperative Fisheries Management Act, $750,000 shall be provided for the Atlantic Coastal Cooperative Statistics Program, and the remainder shall be provided to each of the three interstate fisheries commissions (including the ASMFC): *Provided further*, That within the Procurement, Acquisition and Construction account that $3,000,000 shall be made available for the National Estuarine Research Reserve construction, and $5,000,000 shall be made available for Great Bay land acquisition: *Provided further*, That the Secretary of Commerce shall make funds available to implement the mitigation recommendations identified subsequent to the ''1995 Secretary's Report to Congress on Adequacy of NEXRAD Coverage and Degradation of Weather Services'' for Erie, PA; Williston, ND; Caribou, ME; and Key West, FL, and shall ensure continuation of weather service coverage for these communities until mitigation activities are completed: *Provided further*, That with respect to Erie, PA and Williston, ND, the Secretary shall integrate local radar data from such weather service offices into the advanced weather interactive processing system (AWIPS).

PROCUREMENT, ACQUISITION AND CONSTRUCTION

(INCLUDING TRANSFERS OF FUNDS)

For procurement, acquisition and construction of capital assets, including alteration and modification costs, of the National Oceanic and Atmospheric Administration, $587,922,000, to remain available until expended: *Provided*, That unexpended balances of amounts previously made available in the ''Operations, Research, and Facilities'' account and the ''Construction'' account for activities funded under this heading may be transferred to and merged with this account, to remain available until expended for the purposes for which the funds were originally appropriated.

COASTAL ZONE MANAGEMENT FUND

Of amounts collected pursuant to section 308 of the Coastal Zone Management Act of 1972 (16 U.S.C. 1456a), not to exceed $4,000,000, for purposes set forth in sections 308(b)(2)(A), 308(b)(2)(B)(v), and 315(e) of such Act.

FISHERMEN'S CONTINGENCY FUND

For carrying out the provisions of title IV of Public Law 95–372, not to exceed $953,000, to be derived from receipts collected pursuant to that Act, to remain available until expended.

FOREIGN FISHING OBSERVER FUND

For expenses necessary to carry out the provisions of the Atlantic Tunas Convention Act of 1975, as amended (Public Law 96–339), the Magnuson-Stevens Fishery Conservation and Management Act of 1976, as amended (Public Law 100–627), and the American Fisheries Promotion Act (Public Law 96–561), to be derived from the fees imposed under the foreign fishery observer program authorized by these Acts, not to exceed $189,000, to remain available until expended.

FISHERIES FINANCE PROGRAM ACCOUNT

For the cost of direct loans, $388,000, as authorized by the Merchant Marine Act of 1936, as amended: *Provided*, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974: *Provided further*, That none of the funds made available under this heading may be used for direct loans for any new fishing vessel that will increase the harvesting capacity in any United States fishery.

GENERAL ADMINISTRATION

SALARIES AND EXPENSES

For expenses necessary for the general administration of the Department of Commerce provided for by law, including not to exceed $3,000 for official entertainment, $31,765,000.

OFFICE OF INSPECTOR GENERAL

For necessary expenses of the Office of Inspector General in carrying out the provisions of the Inspector General Act of 1978, as

amended (5 U.S.C. App. 1–11 as amended by Public Law 100–504), $20,662,000.

GENERAL PROVISIONS—DEPARTMENT OF COMMERCE

SEC. 201. During the current fiscal year, applicable appropriations and funds made available to the Department of Commerce by this Act shall be available for the activities specified in the Act of October 26, 1949 (15 U.S.C. 1514), to the extent and in the manner prescribed by the Act, and, notwithstanding 31 U.S.C. 3324, may be used for advanced payments not otherwise authorized only upon the certification of officials designated by the Secretary of Commerce that such payments are in the public interest.

SEC. 202. During the current fiscal year, appropriations made available to the Department of Commerce by this Act for salaries and expenses shall be available for hire of passenger motor vehicles as authorized by 31 U.S.C. 1343 and 1344; services as authorized by 5 U.S.C. 3109; and uniforms or allowances therefor, as authorized by law (5 U.S.C. 5901–5902).

SEC. 203. None of the funds made available by this Act may be used to support the hurricane reconnaissance aircraft and activities that are under the control of the United States Air Force or the United States Air Force Reserve.

SEC. 204. None of the funds provided in this or any previous Act, or hereinafter made available to the Department of Commerce, shall be available to reimburse the Unemployment Trust Fund or any other fund or account of the Treasury to pay for any expenses paid before October 1, 1992, as authorized by section 8501 of title 5, United States Code, for services performed after April 20, 1990, by individuals appointed to temporary positions within the Bureau of the Census for purposes relating to the 1990 decennial census of population.

SEC. 205. Not to exceed 5 percent of any appropriation made available for the current fiscal year for the Department of Commerce in this Act may be transferred between such appropriations, but no such appropriation shall be increased by more than 10 percent by any such transfers: *Provided*, That any transfer pursuant to this section shall be treated as a reprogramming of funds under section 605 of this Act and shall not be available for obligation or expenditure except in compliance with the procedures set forth in that section.

SEC. 206. (a) Should legislation be enacted to dismantle or reorganize the Department of Commerce, or any portion thereof, the Secretary of Commerce, no later than 90 days thereafter, shall submit to the Committees on Appropriations of the House and the Senate a plan for transferring funds provided in this Act to the appropriate successor organizations: *Provided*, That the plan shall include a proposal for transferring or rescinding funds appropriated herein for agencies or programs terminated under such legislation: *Provided further*, That such plan shall be transmitted in accordance with section 605 of this Act.

(b) The Secretary of Commerce or the appropriate head of any successor organization(s) may use any available funds to carry out legislation dismantling or reorganizing the Department of Commerce, or any portion thereof, to cover the costs of actions relating to the abolishment, reorganization, or transfer of functions and any related personnel action, including voluntary separation incentives if authorized by such legislation: *Provided*, That the authority to transfer funds between appropriations accounts that may be necessary to carry out this section is provided in addition to authorities included under section 205 of this Act: *Provided further*, That use of funds to carry out this section shall be treated as a reprogramming of funds under section 605 of this Act and shall not be available for obligation or expenditure except in compliance with the procedures set forth in that section.

SEC. 207. Any costs incurred by a Department or agency funded under this title resulting from personnel actions taken in response to funding reductions included in this title or from actions taken for the care and protection of loan collateral or grant property shall be absorbed within the total budgetary resources available to such Department or agency: *Provided*, That the authority to transfer funds between appropriations accounts as may be necessary to carry out this section is provided in addition to authorities included elsewhere in this Act: *Provided further*, That use of funds to carry out this section shall be treated as a reprogramming of funds under section 605 of this Act and shall not be available for obligation or expenditure except in compliance with the procedures set forth in that section.

SEC. 208. Section 401(e)(4)(B) of Public Law 105–83 is amended by striking ''majority vote, with each member'' and inserting in lieu thereof, ''the majority vote of the board members under paragraphs (3)(A), (F), and (G), the board member representing academia under paragraph (3)(K), and one of the board members under paragraph (3)(L) (as identified by the Governor), with each such member''.

SEC. 209. (a) PROHIBITION.—

(1) IN GENERAL.—Section 223 of the Communications Act of 1934 (47 U.S.C. 223) is amended—

(A) by redesignating subsections (e), (f), (g), and (h) as subsections (f), (g), (h), and (i), respectively; and

(B) by inserting after subsection (d) the following new subsection (e):

''(e)(1) Whoever in interstate or foreign commerce in or through the World Wide Web is engaged in the business of the commercial distribution of material that is harmful to minors shall restrict access to such material by persons under 17 years of age.

''(2) Any person who violates paragraph (1) shall be fined not more than $50,000, imprisoned not more than six months, or both.

''(3) In addition to the penalties under paragraph (2), whoever intentionally violates paragraph (1) shall be subject to a fine of not more than $50,000 for each violation. For purposes of this paragraph, each day of violation shall constitute a separate violation.

''(4) In addition to the penalties under paragraphs (2) and (3), whoever violates paragraph (1) shall be subject to a civil fine of not more than $50,000 for each violation. For purposes of this paragraph, each day of violation shall constitute a separate violation.

''(5) It is an affirmative defense to prosecution under this subsection that the defendant restricted access to material that is harmful to minors by persons under 17 years of age by requiring use of a verified credit card, debit account, adult access code, or adult personal identification number or in accordance with such other procedures as the Commission may prescribe.

''(6) This subsection may not be construed to authorize the Commission to regulate in any manner the content of any information provided on the World Wide Web.

''(7) For purposes of this subsection:

''(A) The term 'material that is harmful to minors' means any communication, picture, image, graphic image file, article, recording, writing, or other matter of any kind that—

''(i) taken as a whole and with respect to minors, appeals to a prurient interest in nudity, sex, or excretion;

''(ii) depicts, describes, or represents, in a patently offensive way with respect to what is suitable for minors, an actual or simulated sexual act or sexual contact, actual or simulated normal or perverted sexual acts, or a lewd exhibition of the genitals; and

''(iii) lacks serious literary, artistic, political, or scientific value.

''(B) The terms 'sexual act' and 'sexual contact' have the meanings assigned such terms in section 2246 of title 18, United States Code.''.

(2) CONFORMING AMENDMENT.—Subsection (h) of such section, as so redesignated, is amended by striking ''(e), or (f)'' and inserting ''(f), or (g)''.

(b) AVAILABILITY ON INTERNET OF DEFINITION OF MATERIAL THAT IS HARMFUL TO MINORS.—The Attorney General, in the case of the Internet web site of the Department of Justice, and the Federal Communications Commission, in the case of the Internet web site of the Commission, shall each post or otherwise make available on such web site such information as is necessary to inform the public of the meaning of the term ''material that is harmful to minors'' under section 223(e) of the Communications Act of 1934, as amended by subsection (a) of this section.

SEC. 210. NO UNIVERSAL SERVICE FOR SCHOOLS OR LIBRARIES THAT FAIL TO IMPLEMENT A FILTERING OR BLOCKING SYSTEM FOR COMPUTERS WITH INTERNET ACCESS. (a) IN GENERAL.—Section 254 of the Communications Act of 1934 (47 U.S.C. 254) is amended by adding at the end thereof the following:

''(l) IMPLEMENTATION OF A FILTERING OR BLOCKING SYSTEM.—

''(1) IN GENERAL.—No services may be provided under subsection (h)(1)(B) to any elementary or secondary school, or any library, unless it provides the certification required by paragraph (2) or (3), respectively.

''(2) CERTIFICATION FOR SCHOOLS.—Before receiving universal service assistance under subsection (h)(1)(B), an elementary or secondary school (or the school board or other authority with responsibility for administration of that school) shall certify to the Commission that it has—

''(A) selected a system for computers with Internet access to filter or block matter deemed to be inappropriate for minors; and

''(B) installed, or will install as soon as it obtains computers with Internet access, a system to filter or block such matter.

''(3) CERTIFICATION FOR LIBRARIES.—Before receiving universal service assistance under subsection (h)(1)(B), a library that has a computer with Internet access shall certify to the Commission that, on one or more of its computers with Internet access, it employs a system to filter or block matter deemed to be inappropriate for minors. If a library that makes a certification under this paragraph changes the system it employs or ceases to employ any such system, it shall notify the Commission within 10 days after implementing the change or ceasing to employ the system.

''(4) LOCAL DETERMINATION OF CONTENT.—For purposes of paragraphs (2) and (3), the determination of what matter is inappropriate for minors shall be made by the school, school board, library or other authority responsible for making the required certification. No agency or instrumentality of the United States Government may—

''(A) establish criteria for making that determination;

''(B) review the determination made by the certifying school, school board, library, or other authority; or

''(C) consider the criteria employed by the certifying school, school board, library, or other authority in the administration of subsection (h)(1)(B).''.

(b) CONFORMING CHANGE.—Section 254(h)(1)(B) of the Communications Act of 1934 (47 U.S.C. 254(h)(1)(B)) is amended by

striking ''All telecommunications'' and inserting ''Except as provided by subsection (l), all telecommunications''.

SEC. 211. MULTICHANNEL VIDEO PROGRAMMING. Notwithstanding any other provision of law, the Copyright Office is prohibited from implementing, enforcing, collecting or awarding copyright royalty fees, and no obligation or liability for copyright royalty fees shall accrue pursuant to the decision of the Librarian of Congress on October 27, 1997, which established a royalty fee of $0.27 per subscriber per month for the retransmission of distant broadcast signals by satellite carriers, before March 31, 1999. This shall have no effect on the implementing, enforcing, collecting, or awarding copyright royalty fees pursuant to the royalty fee structure as it existed prior to October 27, 1997.

SEC. 212. PUBLIC AIRCRAFT. The flush sentence following subparagraph (B)(ii) of section 40102(37) of title 49, United States Code, is amended by striking ''if the unit of government on whose behalf the operation is conducted certifies to the Administrator of the Federal Aviation Administration that the operation was necessary to respond to a significant and imminent threat to life or property (including natural resources) and that no service by a private operator was reasonably available to meet the threat'' and inserting ''if the operation is conducted for law enforcement, search and rescue, or responding to an imminent threat to property or natural resources''.

SEC. 213. COMPENSATION OF ATTORNEYS. (a) CONTROLLED SUBSTANCES ACT.—Section 408(q)(10) of the Controlled Substances Act (21 U.S.C. 848(q)(10)) is amended—

(1) by redesignating subparagraphs (B) and (C) as subparagraphs (C) and (D), respectively; and

(2) by inserting after subparagraph (A) the following:

''(B)(i) Notwithstanding any other provision of law, the amount of compensation paid to each attorney appointed under this subsection shall not exceed, for work performed by that attorney during any calendar month, an amount determined to be the amount of compensation (excluding health and other employee benefits) that the United States Attorney for the district in which the action is to be prosecuted receives for the calendar month that is the subject to a request for compensation made in accordance with this paragraph.

''(ii) The court shall grant an attorney compensation for work performed during any calendar month at a rate authorized under subparagraph (A), except that such compensation may not be granted for any calendar month in an amount that exceeds the maximum amount specified in clause (i).''.

(b) ADEQUATE REPRESENTATION OF DEFENDANTS.—Section 3006A(d)(3) of title 18, United States Code, is amended—

(1) by striking ''Payment'' and inserting the following:

''(A) IN GENERAL.—Subject to subparagraph (B), payment''; and

(2) by adding at the end the following:

''(B) MAXIMUM PAYMENTS.—The payments approved under this paragraph for work performed by an attorney during any calendar month may not exceed a maximum amount determined under section 408(q)(10)(B) of the Controlled Substances Act (21 U.S.C. 848(q)(10)(B)).''.

SEC. 214. No funds may be used under this Act to process or register any application filed or submitted with the Patent and Trademark Office under the Act entitled ''An Act to provide for the registration and protection of trademarks used in commerce, to carry out the provisions of certain international conventions, and for other purposes'', approved July 5, 1946, commonly referred to as the Trademark Act of 1946, as amended, after the date of enactment of this Act for a mark identical to the official tribal insignia of any federally recognized Indian tribe for a period of one year from the date of enactment of this Act.

SEC. 215. (a)(1) Notwithstanding any other provision of this Act, the amount appropriated by this title under ''NATIONAL TELECOMMUNICATIONS AND INFORMATION ADMINISTRATION'' under the heading ''INFORMATION INFRASTRUCTURE GRANTS'' is hereby increased by $9,000,000.

(2) The additional amount appropriated by paragraph (1) shall remain available until expended.

(b)(1) Notwithstanding any other provision of this Act, the aggregate amount appropriated by this title under ''DEPARTMENT OF COMMERCE'' is hereby reduced by $9,000,000 with the amount of such reduction achieved by reductions of equal amounts from amounts appropriated by each heading under ''DEPARTMENT OF COMMERCE'' except the headings referred to in paragraph (2).

(2) Reductions under paragraph (1) shall not apply to the following amounts:

(A) Amounts appropriated under ''NATIONAL TELECOMMUNICATIONS AND INFORMATION ADMINISTRATION'' under the heading ''PUBLIC TELECOMMUNICATIONS FACILITIES, PLANNING AND CONSTRUCTION'' and under the heading ''INFORMATION INFRASTRUCTURE GRANTS''.

(B) Amounts appropriated under any heading under ''NATIONAL INSTITUTE OF STANDARDS AND TECHNOLOGY''.

(C) Amounts appropriated under any heading under ''NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION''.

(c)(1) Notwithstanding any other provision of this Act, the second proviso under ''NATIONAL TELECOMMUNICATIONS AND INFORMATION ADMINISTRATION'' under the heading ''INFORMATION INFRASTRUCTURE GRANTS'' shall have no force or effect.

(2) Notwithstanding any other provision of law, no entity that receives telecommunications services at preferential rates under section 254(h) of the Communications Act of 1934 (47 U.S.C. 254(h)) or receives assistance under the regional information sharing systems grant program of the Department of Justice under part M of title I of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3796h) may use funds under a grant under the heading referred to in paragraph (1) to cover any costs of the entity that would otherwise be covered by such preferential rates or such assistance, as the case may be.

Sec. 216. SEDIMENT CONTROL STUDY. Of the amounts made available under this Act to the National Oceanic and Atmospheric Administration for operations, research, and facilities that are used for ocean and Great Lakes programs, $50,000 shall be used for a study of sediment control at Grand Marais, Michigan.

SEC. 217. (a) IN GENERAL.—Section 254(a) of the Communications Act of 1934 (47 U.S.C. 254(a)) is amended—

(1) by striking the second sentence in paragraph (1);

(2) by redesignating paragraph (2) as paragraph (3); and

(3) by inserting after paragraph (1) the following:

''(2) MEMBERSHIP OF JOINT BOARD.—

''(A) IN GENERAL.—The Joint Board required by paragraph (1) shall be composed of 9 members, as follows:

''(i) 3 shall be members of the Federal Communications Commission;

''(ii) 1 shall be a State-appointed utility consumer advocate nominated by a national organization of State utility consumer advocates; and

''(iii) 5 shall be State utility commissioners nominated by the national organization of State utility commissions, with at least 2 such commissioners being commissioners of commissions of rural States.

''(B) CO-CHAIRMEN.—The Joint Board shall have 2 co-chairmen of equal authority, one of whom shall be a member of the Federal Communications Commission, and the other of whom shall be one of the 5 members described in subparagraph (A)(iii). The Federal Communications Commission shall adopt rules and procedures under which the co-chairmen of the Joint Board will have equal authority and equal responsibility for the Joint Board.

''(C) RURAL STATE DEFINED.—In this paragraph, the term 'rural State' means any State in which the 1998 high-cost universal service support payments to local telephone companies exceeds 90 cents on a per loop per month basis.''.

(b) FCC TO ADOPT PROCEDURES PROMPTLY.—The Federal Communications Commission shall adopt rules under section 254(a)(2)(B) of the Communications Act of 1934 (47 U.S.C. 254(a)(2)(B)), as added by subsection (a) of this section, within 30 days after the date of enactment of this Act.

(c) RECONSTITUTED JOINT BOARD TO CONSIDER UNIVERSAL SERVICE.—The Federal-State Joint Board established under section 254(a)(1) of the Communications Act of 1934 (47 U.S.C. 254(a)(1)) shall not take action on the Commission's Order and Order on Reconsideration adopted July 13, 1998 (CC Docket No. 96–45; FCC 98–160), relating to universal service until—

(1) the Commission has adopted rules under section 254(a)(2)(B) of the Communications Act of 1934 (47 U.S.C. 254(a)(2)(B)); and

(2) the co-chairmen of the Joint Board have been chosen under that section.

SEC. 218. NONPOINT POLLUTION CONTROL. (a) IN GENERAL.—In addition to the amounts made available to the National Oceanic and Atmospheric Administration under this Act, $3,000,000 shall be made available to the Administration for the nonpoint pollution control program of the Coastal Zone Management program of the Administration.

(b) PRO RATA REDUCTIONS.—Notwithstanding any other provision of law, a pro rata reduction shall be made to each program in the Department of Commerce funded under this Act in such manner as to result in an aggregate reduction in the amount of funds provided to those programs of $3,000,000.

This title may be cited as the ''Department of Commerce and Related Agencies Appropriations Act, 1999''.

TITLE III—THE JUDICIARY

SUPREME COURT OF THE UNITED STATES

SALARIES AND EXPENSES

For expenses necessary for the operation of the Supreme Court, as required by law, excluding care of the building and grounds, including purchase or hire, driving, maintenance, and operation of an automobile for the Chief Justice, not to exceed $10,000 for the purpose of transporting Associate Justices, and hire of passenger motor vehicles as authorized by 31 U.S.C. 1343 and 1344; not to exceed $10,000 for official reception and representation expenses; and for miscellaneous expenses, to be expended as the Chief Justice may approve; $31,059,000.

CARE OF THE BUILDING AND GROUNDS

For such expenditures as may be necessary to enable the Architect of the Capitol to carry out the duties imposed upon him by the Act approved May 7, 1934 (40 U.S.C. 13a–13b), $5,871,000, to remain available until expended.

UNITED STATES COURT OF APPEALS FOR THE FEDERAL CIRCUIT

SALARIES AND EXPENSES

For salaries of the chief judge, judges, and other officers and employees, and for necessary expenses of the court, as authorized by law, $15,631,000.

UNITED STATES COURT OF INTERNATIONAL TRADE

SALARIES AND EXPENSES

For salaries of the chief judge and eight judges, salaries of the officers and employees of the court, services as authorized by 5 U.S.C. 3109, and necessary expenses of the court, as authorized by law, $11,483,000.

COURTS OF APPEALS, DISTRICT COURTS, AND OTHER JUDICIAL SERVICES

SALARIES AND EXPENSES

(INCLUDING TRANSFER OF FUNDS)

For the salaries of circuit and district judges (including judges of the territorial courts of the United States), justices and judges retired from office or from regular active service, judges of the United States Court of Federal Claims, bankruptcy judges, magistrate judges, and all other officers and employees of the Federal Judiciary not otherwise specifically provided for, and necessary expenses of the courts, as authorized by law, $2,808,516,000 (including the purchase of firearms and ammunition); of which not to exceed $13,454,000 shall remain available until expended for space alteration projects; and of which not to exceed $10,000,000 shall remain available until expended for furniture and furnishings related to new space alteration and construction projects: *Provided*, That of the amount made available under this heading, $7,150,000 shall be available only for the State Justice Institute.

In addition, for expenses of the United States Court of Federal Claims associated with processing cases under the National Childhood Vaccine Injury Act of 1986, not to exceed $2,515,000, to be appropriated from the Vaccine Injury Compensation Trust Fund.

DEFENDER SERVICES

For the operation of Federal Public Defender and Community Defender organizations; the compensation and reimbursement of expenses of attorneys appointed to represent persons under the Criminal Justice Act of 1964, as amended; the compensation and reimbursement of expenses of persons furnishing investigative, expert and other services under the Criminal Justice Act (18 U.S.C. 3006A(e)); the compensation (in accordance with Criminal Justice Act maximums) and reimbursement of expenses of attorneys appointed to assist the court in criminal cases where the defendant has waived representation by counsel; the compensation and reimbursement of travel expenses of guardians ad litem acting on behalf of financially eligible minor or incompetent offenders in connection with transfers from the United States to foreign countries with which the United States has a treaty for the execution of penal sentences; and the compensation of attorneys appointed to represent jurors in civil actions for the protection of their employment, as authorized by 28 U.S.C. 1875(d); $360,952,000, to remain available until expended as authorized by 18 U.S.C. 3006A(i).

FEES OF JURORS AND COMMISSIONERS

For fees and expenses of jurors as authorized by 28 U.S.C. 1871 and 1876; compensation of jury commissioners as authorized by 28 U.S.C. 1863; and compensation of commissioners appointed in condemnation cases pursuant to rule 71A(h) of the Federal Rules of Civil Procedure (28 U.S.C. Appendix Rule 71A(h)); $68,721,000, to remain available until expended: *Provided*, That the compensation of land commissioners shall not exceed the daily equivalent of the highest rate payable under section 5332 of title 5, United States Code.

COURT SECURITY

For necessary expenses, not otherwise provided for, incident to the procurement, installation, and maintenance of security equipment and protective services for the United States Courts in courtrooms and adjacent areas, including building ingress-egress control, inspection of packages, directed security patrols, and other similar activities as authorized by section 1010 of the Judicial Improvement and Access to Justice Act (Public Law 100–702); $176,873,000, of which not to exceed $10,000,000 shall remain available until expended for security systems, to be expended directly or transferred to the United States Marshals Service which shall be responsible for administering elements of the Judicial Security Program consistent with standards or guidelines agreed to by the Director of the Administrative Office of the United States Courts and the Attorney General.

ADMINISTRATIVE OFFICE OF THE UNITED STATES COURTS

SALARIES AND EXPENSES

For necessary expenses of the Administrative Office of the United States Courts as authorized by law, including travel as authorized by 31 U.S.C. 1345, hire of a passenger motor vehicle as authorized by 31 U.S.C. 1343(b), advertising and rent in the District of Columbia and elsewhere, $54,682,000, of which not to exceed $7,500 is authorized for official reception and representation expenses.

FEDERAL JUDICIAL CENTER

SALARIES AND EXPENSES

For necessary expenses of the Federal Judicial Center, as authorized by Public Law 90–219, $17,716,000; of which $1,800,000 shall remain available through September 30, 2000, to provide education and training to Federal court personnel; and of which not to exceed $1,000 is authorized for official reception and representation expenses.

JUDICIAL RETIREMENT FUNDS

PAYMENT TO JUDICIARY TRUST FUNDS

For payment to the Judicial Officers' Retirement Fund, as authorized by 28 U.S.C. 377(o), $27,500,000; to the Judicial Survivors' Annuities Fund, as authorized by 28 U.S.C. 376(c), $7,800,000; and to the United States Court of Federal Claims Judges' Retirement Fund, as authorized by 28 U.S.C. 178(l), $2,000,000.

UNITED STATES SENTENCING COMMISSION

SALARIES AND EXPENSES

For the salaries and expenses necessary to carry out the provisions of chapter 58 of title 28, United States Code, $9,374,000, of which not to exceed $1,000 is authorized for official reception and representation expenses.

GENERAL PROVISIONS—THE JUDICIARY

SEC. 301. Appropriations and authorizations made in this title which are available for salaries and expenses shall be available for services as authorized by 5 U.S.C. 3109.

SEC. 302. Not to exceed 10 percent of any appropriation made available for the current fiscal year for the Judiciary in this Act may be transferred between such appropriations, but no such appropriation, except ''Courts of Appeals, District Courts, and Other Judicial Services, Defender Services'' and ''Courts of Appeals, District Courts, and Other Judicial Services, Fees of Jurors and Commissioners'', shall be increased by more than 20 percent by any such transfers: *Provided*, That any transfer pursuant to this section shall be treated as a reprogramming of funds under section 605 of this Act and shall not be available for obligation or expenditure except in compliance with the procedures set forth in that section.

SEC. 303. Notwithstanding any other provision of law, the salaries and expenses appropriation for district courts, courts of appeals, and other judicial services shall be available for official reception and representation expenses of the Judicial Conference of the United States: *Provided*, That such available funds shall not exceed $10,000 and shall be administered by the Director of the Administrative Office of the United States Courts in his capacity as Secretary of the Judicial Conference.

SEC. 304. Pursuant to section 140 of Public Law 97–92, justices and judges of the United States are authorized during fiscal year 1999, to receive a salary adjustment in accordance with 28 U.S.C. 461: *Provided*, That $6,893,000 is appropriated for salary adjustments pursuant to this section and such funds shall be transferred to and merged with appropriations in Title III of this Act.

This title may be cited as ''The Judiciary Appropriations Act, 1999''.

TITLE IV—DEPARTMENT OF STATE AND RELATED AGENCIES

DEPARTMENT OF STATE

ADMINISTRATION OF FOREIGN AFFAIRS

DIPLOMATIC AND CONSULAR PROGRAMS

For necessary expenses of the Department of State and the Foreign Service not otherwise provided for, including expenses authorized by the State Department Basic Authorities Act of 1956, as amended; representation to certain international organizations in which the United States participates pursuant to treaties, ratified pursuant to the advice and consent of the Senate, or specific Acts of Congress; acquisition by exchange or purchase of passenger motor vehicles as authorized by 31 U.S.C. 1343, 40 U.S.C. 481(c), and 22 U.S.C. 2674; and for expenses of general administration; $1,685,094,000: *Provided*, That of the amount made available under this heading, not to exceed $4,000,000 may be transferred to, and merged with, funds in the ''Emergencies in the Diplomatic and Consular Service'' appropriations account, to be available only for emergency evacuations and terrorism rewards: *Provided further*, That of the amount made available under this heading, $500,000 shall be available only for the National Law Center for Inter-American Free Trade: *Provided further*, That of the amount made available under this heading, $13,000,000 shall be available only for the East-West Center: *Provided further*, That, hereafter, notwithstanding section 140(a)(5), and the second sentence of section 140(a)(3), of the Foreign Relations Authorization Act, Fiscal Years 1994 and 1995 (Public Law 103–236), fees may be collected under the authority of section 140(a)(1) of that Act: *Provided further*, That all fees collected under the preceding proviso shall be deposited as an offsetting collection to appropriations made under this heading to recover costs as set forth under section 140(a)(2) of that Act and shall remain available until expended.

In addition, not to exceed $700,000 in registration fees collected pursuant to section 38 of the Arms Export Control Act, as amended, may be used in accordance with section 45 of the State Department Basic Authorities Act of 1956 (22 U.S.C. 2717); in addition not to exceed $1,252,000 shall be derived from fees collected from other executive agencies for lease or use of facilities located at the International Center in accordance with section 4 of the International Center Act (Public Law 90–553), as amended, and in addition, as authorized by section 5 of such

Act $490,000, to be derived from the reserve authorized by that section, to be used for the purposes set out in that section; and in addition not to exceed $15,000 which shall be derived from reimbursements, surcharges, and fees for use of Blair House facilities in accordance with section 46 of the State Department Basic Authorities Act of 1956 (22 U.S.C. 2718(a)).

SALARIES AND EXPENSES

For expenses necessary for the general administration of the Department of State and the Foreign Service, provided for by law, including expenses authorized by section 9 of the Act of August 31, 1964, as amended (31 U.S.C. 3721), and the State Department Basic Authorities Act of 1956, as amended, $349,474,000.

CAPITAL INVESTMENT FUND

For necessary expenses of the Capital Investment Fund, $118,340,000, to remain available until expended, as authorized in Public Law 103–236: *Provided*, That section 135(e) of Public Law 103–236 shall not apply to funds available under this heading.

OFFICE OF INSPECTOR GENERAL

For necessary expenses of the Office of Inspector General in carrying out the provisions of the Inspector General Act of 1978, as amended (5 U.S.C. App.), $27,495,000, notwithstanding section 209(a)(1) of the Foreign Service Act of 1980, as amended (Public Law 96–465), as it relates to post inspections.

REPRESENTATION ALLOWANCES

For representation allowances as authorized by section 905 of the Foreign Service Act of 1980, as amended (22 U.S.C. 4085), and for necessary expenses as authorized by section 4 of the State Department Basic Authority Act of 1956 (22 U.S.C. 2671), $6,500,000.

PROTECTION OF FOREIGN MISSIONS AND OFFICIALS

For expenses, not otherwise provided, to enable the Secretary of State to provide for extraordinary protective services in accordance with the provisions of section 214 of the State Department Basic Authorities Act of 1956 (22 U.S.C. 4314) and 3 U.S.C. 208, $7,900,000, to remain available until September 30, 2000.

SECURITY AND MAINTENANCE OF UNITED STATES MISSIONS

For necessary expenses for carrying out the Foreign Service Buildings Act of 1926, as amended (22 U.S.C. 292–300), preserving, maintaining, repairing, and planning for, buildings that are owned or directly leased by the Department of State, renovating, in addition to funds otherwise available, the Main State Building, and carrying out the Diplomatic Security Construction Program as authorized by title IV of the Omnibus Diplomatic Security and Antiterrorism Act of 1986 (22 U.S.C. 4851), $550,832,000, to remain available until expended as authorized by section 24(c) of the State Department Basic Authorities Act of 1956 (22 U.S.C. 2696(c)): *Provided*, That none of the funds appropriated in this paragraph shall be available for acquisition of furniture and furnishings and generators for other departments and agencies.

EMERGENCIES IN THE DIPLOMATIC AND CONSULAR SERVICE

For expenses necessary to enable the Secretary of State to meet unforeseen emergencies arising in the Diplomatic and Consular Service pursuant to the requirement of 31 U.S.C. 3526(e), $3,500,000 to remain available until expended as authorized by section 24(c) of the State Department Basic Authorities Act of 1956 (22 U.S.C. 2696(c)), of which not to exceed $1,000,000 may be transferred to and merged with the Repatriation Loans Program Account, subject to the same terms and conditions.

REPATRIATION LOANS PROGRAM ACCOUNT

For the cost of direct loans, $543,000, as authorized by section 4 of the State Department Basic Authorities Act of 1956 (22 U.S.C. 2671): *Provided*, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974. In addition, for administrative expenses necessary to carry out the direct loan program, $457,000 which may be transferred to and merged with the Salaries and Expenses account under Administration of Foreign Affairs.

PAYMENT TO THE AMERICAN INSTITUTE IN TAIWAN

For necessary expenses to carry out the Taiwan Relations Act, Public Law 96–8, $14,490,000.

PAYMENT TO THE FOREIGN SERVICE RETIREMENT AND DISABILITY FUND

For payment to the Foreign Service Retirement and Disability Fund, as authorized by law, $132,500,000.

INTERNATIONAL ORGANIZATIONS AND CONFERENCES

CONTRIBUTIONS TO INTERNATIONAL ORGANIZATIONS

For expenses, not otherwise provided for, necessary to meet annual obligations of membership in international multilateral organizations, pursuant to treaties ratified pursuant to the advice and consent of the Senate, conventions or specific Acts of Congress, $1,131,718,000, of which not to exceed $254,000,000 shall remain available until expended for payment of arrearages: *Provided*, That none of the funds appropriated or otherwise made available by this Act for payment of arrearages may be obligated or expended unless such obligation or expenditure is expressly authorized by the enactment of an Act that makes payment of arrearages contingent upon reforms that include the following: a reduction in the United States assessed share of the United Nations regular budget to 20 percent and of peacekeeping operations to 25 percent; reimbursement for goods and services provided by the United States to the United Nations; certification that the United Nations and its specialized or affiliated agencies have not taken any action to infringe on the sovereignty of the United States; a ceiling on United States contributions to international organizations after fiscal year 1999 of $900,000,000; establishment of a merit-based personnel system at the United Nations that includes a code of conduct and a personnel evaluation system; United States membership on the Advisory Committee on Administrative and Budgetary Questions that oversees the United Nations budget; access to United Nations financial data by the General Accounting Office; and achievement of a negative growth budget and the establishment of independent inspectors general for affiliated organizations; and improved consultation procedures with the Congress: *Provided further*, That any payment of arrearages shall be directed toward special activities that are mutually agreed upon by the United States and the respective international organization: *Provided further*, That not to exceed $2,400,000 shall only be available to establish an international center for response to chemical, biological, and nuclear weapons: *Provided further*, That notwithstanding section 402 of this Act, not to exceed $1,223,000 may be transferred from the funds made available under this heading to the ''International conferences and contingencies'' account for assessed contributions to new or provisional international organizations or for travel expenses of official delegates to international conferences: *Provided further*, That any transfer pursuant to this paragraph shall be treated as a reprogramming of funds under section 605 of this Act and shall not be available for obligation or expenditure except in compliance with the procedures set forth in that section.

CONTRIBUTIONS FOR INTERNATIONAL PEACEKEEPING ACTIVITIES

For necessary expenses to pay assessed and other expenses of international peacekeeping activities directed to the maintenance or restoration of international peace and security $431,093,000, of which not to exceed $23,100,000 shall remain available until expended, and of which not to exceed $221,000,000 shall remain available until expended for payment of arrearages: *Provided*, That none of the funds appropriated or otherwise made available by this Act for payment of arrearages may be obligated or expended unless such obligation or expenditure is expressly authorized by the enactment of an Act described in the first proviso under the heading ''Contributions to International Organizations'' in this title.

INTERNATIONAL COMMISSIONS

For necessary expenses, not otherwise provided for, to meet obligations of the United States arising under treaties, or specific Acts of Congress, as follows:

INTERNATIONAL BOUNDARY AND WATER COMMISSION, UNITED STATES AND MEXICO

For necessary expenses for the United States Section of the International Boundary and Water Commission, United States and Mexico, and to comply with laws applicable to the United States Section, including not to exceed $6,000 for representation; as follows:

SALARIES AND EXPENSES

For salaries and expenses, not otherwise provided for, $17,490,000.

CONSTRUCTION

For detailed plan preparation and construction of authorized projects, $6,463,000, to remain available until expended, as authorized by section 24(c) of the State Department Basic Authorities Act of 1956 (22 U.S.C. 2696(c)).

AMERICAN SECTIONS, INTERNATIONAL COMMISSIONS

For necessary expenses, not otherwise provided for the International Joint Commission and the International Boundary Commission, United States and Canada, as authorized by treaties between the United States and Canada or Great Britain, and for the Border Environment Cooperation Commission as authorized by Public Law 103–182; $5,490,000, of which not to exceed $9,000 shall be available for representation expenses incurred by the International Joint Commission.

INTERNATIONAL FISHERIES COMMISSIONS

For necessary expenses for international fisheries commissions, not otherwise provided for, as authorized by law, $14,549,000: *Provided*, That the United States' share of such expenses may be advanced to the respective commissions, pursuant to 31 U.S.C. 3324.

RELATED AGENCIES

ARMS CONTROL AND DISARMAMENT AGENCY

ARMS CONTROL AND DISARMAMENT ACTIVITIES

For necessary expenses not otherwise provided, for arms control, nonproliferation, and disarmament activities, $43,400,000, of which not to exceed $50,000 shall be for official reception and representation expenses as authorized by the Act of September 26, 1961, as amended (22 U.S.C. 2551 et seq.).

UNITED STATES INFORMATION AGENCY

INTERNATIONAL INFORMATION PROGRAMS

For expenses, not otherwise provided for, necessary to enable the United States Information Agency, as authorized by the Mutual Educational and Cultural Exchange Act of 1961, as amended (22 U.S.C. 2451 et seq.), the United States Information and Educational Exchange Act of 1948, as amended (22 U.S.C. 1431 et seq.), and Reorganization Plan No. 2 of 1977 (91 Stat. 1636), to carry out international communication, educational and cultural activities; and to carry out related activities authorized by law, including employment, without regard to civil service and classification laws, of persons on a temporary basis (not to exceed $700,000 of this appropriation), as authorized by section 801 of such Act of 1948 (22 U.S.C. 1471), and entertainment, including official receptions, within the United States, not to exceed $25,000 as authorized by section 804(3) of such Act of 1948 (22 U.S.C. 1474(3)); $427,097,000: *Provided*, That not to exceed $1,400,000 may be used for representation abroad as authorized by section 302 of such Act of 1948 (22 U.S.C. 1452) and section 905 of the Foreign Service Act of 1980 (22 U.S.C. 4085): *Provided further*, That not to exceed $6,000,000, to remain available until expended, may be credited to this appropriation from fees or other payments received from or in connection with English teaching, library, motion pictures, and publication programs as authorized by section 810 of such Act of 1948 (22 U.S.C. 1475e) and, notwithstanding any other law, fees from educational advising and counseling, and exchange visitor program services: *Provided further*, That not to exceed $920,000 to remain available until expended may be used to carry out projects involving security construction and related improvements for agency facilities not physically located together with Department of State facilities abroad.

TECHNOLOGY FUND

For expenses necessary to enable the United States Information Agency to provide for the procurement of information technology improvements, as authorized by the United States Information and Educational Exchange Act of 1948, as amended (22 U.S.C. 1431 et seq.), the Mutual Educational and Cultural Exchange Act of 1961, as amended (22 U.S.C. 2451 et seq.), and Reorganization Plan No. 2 of 1977 (91 Stat. 1636), $5,050,000, to remain available until expended.

EDUCATIONAL AND CULTURAL EXCHANGE PROGRAMS

For expenses of educational and cultural exchange programs, as authorized by the Mutual Educational and Cultural Exchange Act of 1961, as amended (22 U.S.C. 2451 et seq.), and Reorganization Plan No. 2 of 1977 (91 Stat. 1636), $205,024,000, to remain available until expended as authorized by section 105 of such Act of 1961 (22 U.S.C. 2455): *Provided*, That not to exceed $800,000, to remain available until expended, may be credited to this appropriation from fees or other payments received from or in connection with English teaching and publication programs as authorized by section 810 of the United States Information and Educational Exchange Act of 1948 (22 U.S.C. 1475e) and, notwithstanding any other provision of law, fees from educational advising and counseling.

EISENHOWER EXCHANGE FELLOWSHIP PROGRAM TRUST FUND

For necessary expenses of Eisenhower Exchange Fellowships, Incorporated, as authorized by sections 4 and 5 of the Eisenhower Exchange Fellowship Act of 1990 (20 U.S.C. 5204–5205), all interest and earnings accruing to the Eisenhower Exchange Fellowship Program Trust Fund on or before September 30, 1999, to remain available until expended: *Provided*, That none of the funds appropriated herein shall be used to pay any salary or other compensation, or to enter into any contract providing for the payment thereof, in excess of the rate authorized by 5 U.S.C. 5376; or for purposes which are not in accordance with OMB Circulars A–110 (Uniform Administrative Requirements) and A–122 (Cost Principles for Non-profit Organizations), including the restrictions on compensation for personal services.

ISRAELI ARAB SCHOLARSHIP PROGRAM

For necessary expenses of the Israeli Arab Scholarship Program as authorized by section 214 of the Foreign Relations Authorization Act, Fiscal Years 1992 and 1993 (22 U.S.C. 2452), all interest and earnings accruing to the Israeli Arab Scholarship Fund on or before September 30, 1999, to remain available until expended.

INTERNATIONAL BROADCASTING OPERATIONS

For expenses necessary to enable the United States Information Agency, as authorized by the United States Information and Educational Exchange Act of 1948, as amended, the United States International Broadcasting Act of 1994, as amended, and Reorganization Plan No. 2 of 1977, to carry out international communication activities, $332,915,000, of which not to exceed $16,000 may be used for official receptions within the United States as authorized by section 804(3) of such Act of 1948 (22 U.S.C. 1747(3)), not to exceed $35,000 may be used for representation abroad as authorized by section 302 of such Act of 1948 (22 U.S.C. 1452) and section 905 of the Foreign Service Act of 1980 (22 U.S.C. 4085), and not to exceed $39,000 may be used for official reception and representation expenses of Radio Free Europe/Radio Liberty; and in addition, notwithstanding any other provision of law, not to exceed $2,000,000 in receipts from advertising and revenue from business ventures, not to exceed $500,000 in receipts from cooperating international organizations, and not to exceed $1,000,000 in receipts from privatization efforts of the Voice of America and the International Broadcasting Bureau, to remain available until expended for carrying out authorized purposes.

BROADCASTING TO CUBA

For expenses necessary to enable the United States Information Agency to carry out the Radio Broadcasting to Cuba Act, as amended, the Television Broadcasting to Cuba Act, and the International Broadcasting Act of 1994, including the purchase, rent, construction, and improvement of facilities for radio and television transmission and reception, and purchase and installation of necessary equipment for radio and television transmission and reception, $22,095,000, to remain available until expended.

RADIO CONSTRUCTION

For the purchase, rent, construction, and improvement of facilities for radio transmission and reception, and purchase and installation of necessary equipment for radio and television transmission and reception as authorized by section 801 of the United States Information and Educational Exchange Act of 1948 (22 U.S.C. 1471), $13,245,000, to remain available until expended, as authorized by section 704(a) of such Act of 1948 (22 U.S.C. 1477b(a)).

EAST-WEST CENTER

To enable the Director of the United States Information Agency to provide for carrying out the provisions of the Center for Cultural and Technical Interchange Between East and West Act of 1960 (22 U.S.C. 2054–2057), by grant to the Center for Cultural and Technical Interchange Between East and West in the State of Hawaii, $12,000,000: *Provided*, That none of the funds appropriated herein shall be used to pay any salary, or enter into any contract providing for the payment thereof, in excess of the rate authorized by 5 U.S.C. 5376.

NORTH/SOUTH CENTER

To enable the Director of the United States Information Agency to provide for carrying out the provisions of the North/South Center Act of 1991 (22 U.S.C. 2075), by grant to an educational institution in Florida known as the North/South Center, $3,000,000, to remain available until expended.

NATIONAL ENDOWMENT FOR DEMOCRACY

For grants made by the United States Information Agency to the National Endowment for Democracy as authorized by the National Endowment for Democracy Act, $30,500,000, to remain available until expended.

GENERAL PROVISIONS—DEPARTMENT OF STATE AND RELATED AGENCIES

SEC. 401. Funds appropriated under this title shall be available, except as otherwise provided, for allowances and differentials as authorized by subchapter 59 of title 5, United States Code; for services as authorized by 5 U.S.C. 3109; and hire of passenger transportation pursuant to 31 U.S.C. 1343(b).

SEC. 402. Not to exceed 10 percent of any appropriation made available for the current fiscal year for the Department of State in this Act may be transferred between such appropriations, but no such appropriation, except as otherwise specifically provided, shall be increased by more than 20 percent by any such transfers: *Provided*, That not to exceed 10 percent of any appropriation made available for the current fiscal year for the United States Information Agency in this Act may be transferred between such appropriations, but no such appropriation, except as otherwise specifically provided, shall be increased by more than 20 percent by any such transfers: *Provided further*, That any transfer pursuant to this section shall be treated as a reprogramming of funds under section 605 of this Act and shall not be available for obligation or expenditure except in compliance with the procedures set forth in that section.

SEC. 403. None of the funds made available in this Act may be used by the Department of State or the United States Information Agency to provide equipment, technical support, training, consulting services, or any other form of assistance to the Palestinian Broadcasting Corporation or similar organization.

SEC. 404. None of the funds appropriated or otherwise made available by this Act may be obligated or expended to pay for any cost incurred for—

(1) opening or operating any United States diplomatic or consular post in the Socialist Republic of Vietnam that was not operating on July 11, 1995,

(2) expanding any United States diplomatic or consular post in the Socialist Republic of Vietnam that was operating on July 11, 1995, or

(3) increasing the total number of personnel assigned to United States diplomatic or consular posts in the Socialist Republic of Vietnam above the levels existing on July 11, 1995,

unless the President certifies within 60 days the following:

(A) Based upon all information available to the United States Government, the Government of the Socialist Republic of Vietnam is fully cooperating in good faith with the United States in the following:

(i) Resolving discrepancy cases, live sightings, and field activities.

(ii) Recovering and repatriating American remains.

(iii) Accelerating efforts to provide documents that will help lead to fullest possible accounting of prisoners of war and missing in action.

(iv) Providing further assistance in implementing trilateral investigations with Laos.

(B) The remains, artifacts, eyewitness accounts, archival material, and other evidence associated with prisoners of war and missing in action recovered from crash sites, military actions, and other locations in Southeast Asia are being thoroughly analyzed by the appropriate laboratories with the intent of providing surviving relatives with scientifically defensible, legal determinations of death or other accountability that are fully documented and available in unclassified and unredacted form to immediate family members.

SEC. 405. During the current fiscal year and hereafter, the Secretary of State shall have discretionary authority to pay tort claims in the manner authorized by section 2672 of title 28, United States Code, when such claims arise in foreign countries in connection with the overseas operations of the Department of State.

SEC. 406. None of the funds appropriated or otherwise made available by this Act or any other Act for fiscal year 1999 or any fiscal year thereafter should be expended for the operation of a United States consulate or diplomatic facility in Jerusalem unless such consulate or diplomatic facility is under the supervision of the United States Ambassador to Israel.

SEC. 407. None of the funds appropriated or otherwise made available by this Act or any other Act for fiscal year 1999 or any fiscal year thereafter may be expended for the publication of any official Government document which lists countries and their capital cities unless the publication identifies Jerusalem as the capital of Israel.

SEC. 408. For the purposes of the registration of birth, certification of nationality, or issuance of a passport of a United States citizen born in the city of Jerusalem, the Secretary of State shall, upon request of the citizen, record the place of birth as Israel.

SEC. 409. (a) WAIVER OF FEES FOR CERTAIN VISAS.—

(1) REQUIREMENT.—

(A) IN GENERAL.—Notwithstanding any other provision of law and subject to subparagraph (B), the Secretary of State and the Attorney General shall waive the fee for the processing of any application for the issuance of a machine readable combined border crossing card and nonimmigrant visa under section 101(a)(15)(B) of the Immigration and Nationality Act in the case of any alien under 15 years of age where the application for the machine readable combined border crossing card and nonimmigrant visa is made in Mexico by a citizen of Mexico who has at least one parent or guardian who has a visa under such section or is applying for a machine readable combined border crossing card and nonimmigrant visa under such section as well.

(B) DELAYED COMMENCEMENT.—The Secretary of State and the Attorney General may not commence implementation of the requirement in subparagraph (A) until the later of—

(i) the date that is 6 months after the date of enactment of this Act; or

(ii) the date on which the Secretary sets the amount of the fee or surcharge in accordance with paragraph (3).

(2) PERIOD OF VALIDITY OF VISAS.—

(A) IN GENERAL.—Except as provided in subparagraph (B), if the fee for a machine readable combined border crossing card and nonimmigrant visa issued under section 101(a)(15)(B) of the Immigration and Nationality Act has been waived under paragraph (1) for a child under 15 years of age, the machine readable combined border crossing card and nonimmigrant visa shall be issued to expire on the earlier of—

(i) the date on which the child attains the age of 15; or

(ii) ten years after its date of issue.

(B) EXCEPTION.—At the request of the parent or guardian of any alien under 15 years of age otherwise covered by subparagraph (A), the Secretary of State and the Attorney General may charge a fee for the processing of an application for the issuance of a machine readable combined border crossing card and nonimmigrant visa under section 101(a)(15)(B) of the Immigration and Nationality Act provided that the machine readable combined border crossing card and nonimmigrant visa is issued to expire as of the same date as is usually provided for visas issued under that section.

(3) RECOUPMENT OF COSTS RESULTING FROM WAIVER.—Notwithstanding any other provision of law, the Secretary of State shall set the amount of the fee or surcharge authorized pursuant to section 140(a) of the Foreign Relations Authorization Act, Fiscal Years 1994 and 1995 (Public Law 103–236; 8 U.S.C. 1351 note) for the processing of machine readable combined border crossing cards and nonimmigrant visas at a level that will ensure the full recovery by the Department of State of the costs of processing all such combined border crossing cards and nonimmigrant visas, including the costs of processing such combined border crossing cards and nonimmigrant visas for which the fee is waived pursuant to this subsection.

(b) PROCESSING IN MEXICAN BORDER CITIES.—The Secretary of State shall continue, until at least October 1, 2003, or until all border crossing identification cards in circulation have otherwise been required to be replaced under section 104(b)(3) of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 (as added by section 116(b)(2) of this Act), to process applications for visas under section 101(a)(15)(B) of the Immigration and Nationality Act at the following cities in Mexico located near the international border with the United States: Nogales, Nuevo Laredo, Ciudad Acuna, Piedras Negras, Agua Prieta, and Reynosa.

SEC. 410. (a) The purpose of this section is to protect the national security interests of the United States while studying the appropriate level of resources to improve the issuance of visas to legitimate foreign travelers.

(b) Congress recognizes the importance of maintaining quality service by consular officers in the processing of applications for nonimmigrant visas and finds that this requirement should be reflected in any timeliness standards or other regulations governing the issuance of visas.

(c) The Secretary of State shall conduct a study to determine, with respect to the processing of nonimmigrant visas within the Department of State—

(1) the adequacy of staffing at United States consular posts, particularly during peak travel periods;

(2) the adequacy of service to international tourism;

(3) the adequacy of computer and technical support to consular posts; and

(4) the appropriate standard to determine whether a country qualifies as a pilot program country under the visa waiver pilot program in section 217 of the Immigration and Nationality Act (8 U.S.C. 1187).

(d)(1) Not later than 120 days after the date of enactment of this Act, the Secretary of State shall submit a report to Congress setting forth—

(A) the results of the study conducted under subsection (c); and

(B) the steps the Secretary has taken to implement timeliness standards.

(2) Beginning one year after the date of submission of the report required by paragraph (1), and annually thereafter, the Secretary of State shall submit a report to Congress describing the implementation of timeliness standards during the preceding year.

(e) In this section—

(1) the term ''nonimmigrant visas'' means visas issued to aliens described in section 101(a)(15) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(15)); and

(2) the term ''timeliness standards'' means standards governing the timely processing of applications for nonimmigrant visas at United States consular posts.

SEC. 411. Before any additional disbursement of funds may be made pursuant to the sixth proviso under the heading ''CONTRIBUTIONS TO INTERNATIONAL ORGANIZATIONS'' in title IV of the Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 1998 (as contained in Public Law 105–119)—

(1) the Secretary of State shall, in lieu of the certification required under such sixth proviso, submit a certification to the committees described in paragraph (2) that the United Nations has taken no action during the preceding six months to increase funding for any United Nations program without identifying an offsetting decrease during the 6-month period elsewhere in the United Nations budget and cause the United Nations to exceed the reform budget of $2,533,000,000 for the biennium 1998–1999; and

(2) the certification under paragraph (1) is submitted to the Committees on Appropriations and Foreign Relations of the Senate and the Committees on Appropriations and International Relations of the House of Representatives at least 15 days in advance of any disbursement of funds.

SEC. 412. BAN ON EXTRADITION OR TRANSFER OF UNITED STATES CITIZENS TO THE INTERNATIONAL CRIMINAL COURT. (a) EXTRADITION.—None of the funds appropriated or otherwise made available by this or any other Act may be used to extradite a United States citizen to a foreign nation that is under an obligation to surrender persons to the International Criminal Court unless that foreign nation confirms to the United States that applicable prohibitions on re-extradition apply to such surrender, or gives other satisfactory assurances to the United States that it will not extradite or otherwise transfer that citizen to the International Criminal Court.

(b) CONSENT.—None of the funds appropriated or otherwise made available by this or any other Act may be used to provide consent to the extradition or transfer of a United States citizen by a foreign country that is under an obligation to surrender persons to the International Criminal Court to a third country, unless the third country confirms to the United States that applicable prohibitions on re-extradition apply to such surrender, or gives other satisfactory assurances to the United States that it will not extradite or otherwise transfer that citizen to the International Criminal Court.

(c) DEFINITION.—As used in this section, the term ''International Criminal Court'' means the court established by agreement concluded in Rome on July 17, 1998.

SEC. 413. (a) None of the funds appropriated or otherwise made available by this or any other Act (including prior appropriations) may be used for—

(1) the payment of any representation in, or any contribution to (including any assessed contribution), or provision of funds,

services, equipment, personnel, or other support to, the International Criminal Court established by agreement concluded in Rome on July 17, 1998, or

(2) the United States proportionate share of any assessed contribution to the United Nations or any other international organization that is used to provide support to the International Criminal Court described in paragraph (1),

unless the Senate has given its advice and consent to ratification of the agreement as a treaty under Article II, Section 2, Clause 2 of the Constitution of the United States.

This title may be cited as the ''Department of State and Related Agencies Appropriations Act, 1999''.

TITLE V—RELATED AGENCIES

DEPARTMENT OF TRANSPORTATION

MARITIME ADMINISTRATION

MARITIME SECURITY PROGRAM

For necessary expenses to maintain and preserve a U.S.-flag merchant fleet to serve the national security needs of the United States, $97,650,000, to remain available until expended.

OPERATIONS AND TRAINING

For necessary expenses of operations and training activities authorized by law, $69,818,000: *Provided,* That reimbursements may be made to this appropriation from receipts to the ''Federal Ship Financing Fund'' for administrative expenses in support of that program in addition to any amount heretofore appropriated: *Provided further,* That, of this amount, $1,400,000 shall be available for Student Incentive Payments.

MARITIME GUARANTEED LOAN (TITLE XI) PROGRAM ACCOUNT

For the cost of guaranteed loans, as authorized by the Merchant Marine Act, 1936, $10,000,000, to remain available until expended: *Provided,* That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974, as amended: *Provided further,* That these funds are available to subsidize total loan principal, any part of which is to be guaranteed, not to exceed $1,000,000,000.

ADMINISTRATIVE PROVISIONS—MARITIME ADMINISTRATION

Notwithstanding any other provision of this Act, the Maritime Administration is authorized to furnish utilities and services and make necessary repairs in connection with any lease, contract, or occupancy involving Government property under control of the Maritime Administration, and payments received therefor shall be credited to the appropriation charged with the cost thereof: *Provided*, That rental payments under any such lease, contract, or occupancy for items other than such utilities, services, or repairs shall be covered into the Treasury as miscellaneous receipts.

No obligations shall be incurred during the current fiscal year from the construction fund established by the Merchant Marine Act, 1936, or otherwise, in excess of the appropriations and limitations contained in this Act or in any prior appropriation Act, and all receipts which otherwise would be deposited to the credit of said fund shall be covered into the Treasury as miscellaneous receipts.

COMMISSION FOR THE PRESERVATION OF AMERICA'S HERITAGE ABROAD

SALARIES AND EXPENSES

For expenses for the Commission for the Preservation of America's Heritage Abroad, $250,000, as authorized by Public Law 99–83, section 1303.

COMMISSION ON CIVIL RIGHTS

SALARIES AND EXPENSES

For necessary expenses of the Commission on Civil Rights, including hire of passenger motor vehicles, $8,900,000: *Provided*, That not to exceed $50,000 may be used to employ consultants: *Provided further*, That none of the funds appropriated in this paragraph shall be used to employ in excess of four full-time individuals under Schedule C of the Excepted Service exclusive of one special assistant for each Commissioner: *Provided further*, That none of the funds appropriated in this paragraph shall be used to reimburse Commissioners for more than 75 billable days, with the exception of the Chairperson who is permitted 125 billable days.

COMMISSION ON SECURITY AND COOPERATION IN EUROPE

SALARIES AND EXPENSES

For necessary expenses of the Commission on Security and Cooperation in Europe, as authorized by Public Law 94–304, $1,159,000, to remain available until expended as authorized by section 3 of Public Law 99–7.

EQUAL EMPLOYMENT OPPORTUNITY COMMISSION

SALARIES AND EXPENSES

For necessary expenses of the Equal Employment Opportunity Commission as authorized by title VII of the Civil Rights Act of 1964, as amended (29 U.S.C. 206(d) and 621–634), the Americans with Disabilities Act of 1990, and the Civil Rights Act of 1991, including services as authorized by 5 U.S.C. 3109; hire of passenger motor vehicles as authorized by 31 U.S.C. 1343(b); non-monetary awards to private citizens; and not to exceed $27,500,000 for payments to State and local enforcement agencies for services to the Commission pursuant to title VII of the Civil Rights Act of 1964, as amended, sections 6 and 14 of the Age Discrimination in Employment Act, the Americans with Disabilities Act of 1990, and the Civil Rights Act of 1991; $253,580,000: *Provided*, That the Commission is authorized to make available for official reception and representation expenses not to exceed $2,500 from available funds.

FEDERAL COMMUNICATIONS COMMISSION

SALARIES AND EXPENSES

For necessary expenses of the Federal Communications Commission, as authorized by law, including uniforms and allowances therefor, as authorized by 5 U.S.C. 5901–02; not to exceed $600,000 for land and structure; not to exceed $500,000 for improvement and care of grounds and repair to buildings; not to exceed $4,000 for official reception and representation expenses; purchase (not to exceed 16) and hire of motor vehicles; special counsel fees; and services as authorized by 5 U.S.C. 3109; $197,921,000, of which not to exceed $300,000 shall remain available until September 30, 1999, for research and policy studies: *Provided,* That $172,523,000 of offsetting collections shall be assessed and collected pursuant to section 9 of title I of the Communications Act of 1934, as amended, and shall be retained and used for necessary expenses in this appropriation, and shall remain available until expended: *Provided further,* That the sum herein appropriated shall be reduced as such offsetting collections are received during fiscal year 1999 so as to result in a final fiscal year 1999 appropriation estimated at $25,398,000: *Provided further,* That any offsetting collections received in excess of $172,523,000 in fiscal year 1999 shall remain available until expended, but shall not be available for obligation until October 1, 1999: *Provided further,* That any two stations that are primary affiliates of the same broadcast network within any given designated market area authorized to deliver a digital signal by November 1, 1998 must be guaranteed access on the same terms and conditions by any multichannel video provider (including off-air, cable and satellite distribution).

FEDERAL MARITIME COMMISSION

SALARIES AND EXPENSES

For necessary expenses of the Federal Maritime Commission as authorized by section 201(d) of the Merchant Marine Act of 1936, as amended (46 U.S.C. App. 1111, including services as authorized by 5 U.S.C. 3109; hire of passenger motor vehicles as authorized by 31 U.S.C. 1343(b); and uniforms or allowances therefor, as authorized by 5 U.S.C. 5901–02; $14,300,000: *Provided*, That not to exceed $2,000 shall be available for official reception and representation expenses.

FEDERAL TRADE COMMISSION

SALARIES AND EXPENSES

For necessary expenses of the Federal Trade Commission, including uniforms or allowances therefor, as authorized by 5 U.S.C. 5901–5902; services as authorized by 5 U.S.C. 3109; hire of passenger motor vehicles; and not to exceed $2,000 for official reception and representation expenses; $93,167,000: *Provided*, That not to exceed $300,000 shall be available for use to contract with a person or persons for collection services in accordance with the terms of 31 U.S.C. 3718, as amended: *Provided further*, That notwithstanding any other provision of law, not to exceed $90,000,000 of offsetting collections derived from fees collected for premerger notification filings under the Hart-Scott-Rodino Antitrust Improvements Act of 1976 (15 U.S.C. 18(a)) shall be retained and used for necessary expenses in this appropriation, and shall remain available until expended: *Provided further*, That the sum herein appropriated from the General Fund shall be reduced as such offsetting collections are received during fiscal year 1999, so as to result in a final fiscal year 1999 appropriation from the General Fund estimated at not more than $3,167,000: *Provided further,* That the fourth proviso under the heading ''Federal Trade Commission, Salaries and Expenses'' in Public Law 105–119 is repealed: *Provided further*, That none of the funds made available to the Federal Trade Commission shall be available for obligation for expenses authorized by section 151 of the Federal Deposit Insurance Corporation Improvement Act of 1991 (Public Law 102–242, 105 Stat. 2282–2285).

LEGAL SERVICES CORPORATION

PAYMENT TO THE LEGAL SERVICES CORPORATION

For payment to the Legal Services Corporation to carry out the purposes of the Legal Services Corporation Act of 1974, as amended, $300,000,000, of which $288,700,000 is for basic field programs and required independent audits; $300,000 is for grants for litigation associated with Aguilar v. United States; $2,015,000 is for the Office of Inspector General, of which such amounts as may be necessary may be used to conduct additional audits of recipients; and $8,985,000 is for management and administration.

ADMINISTRATIVE PROVISIONS—LEGAL SERVICES CORPORATION

SEC. 501. (a) CONTINUATION OF COMPETITIVE SELECTION PROCESS.—None of the funds appropriated in this Act to the Legal Services Corporation may be used to provide financial assistance to any person or entity except through a competitive selection process conducted in accordance with regulations promulgated by the Corporation in accordance with the criteria set forth in subsections (c), (d), and (e) of section 503 of Public Law 104–134 (110 Stat. 1321–52 et seq.).

(b) INAPPLICABILITY OF CERTAIN PROCEDURES.—Sections 1007(a)(9) and 1011 of the Legal Services Corporation Act (42 U.S.C. 2996f(a)(9) and 2996j) shall not apply to the provision, denial, suspension, or termination of any financial assistance using funds appropriated in this Act.

(c) ADDITIONAL PROCEDURES.—If, during any term of a grant or contract awarded to a recipient by the Legal Services Corporation under the competitive selection process referred to in subsection (a) and applicable Corporation regulations, the Corporation finds, after notice and opportunity for the recipient to be heard, that the recipient has failed to comply with any requirement of the Legal Services Corporation Act (42 U.S.C. 2996 et seq.), this Act, or any other applicable law relating to funding for the Corporation, the Corporation may terminate the grant or contract and institute a new competitive selection process for the area served by the recipient, notwithstanding the terms of the recipient's grant or contract.

SEC. 502. (a) CONTINUATION OF REQUIREMENTS AND RESTRICTIONS.—None of the funds appropriated in this Act to the Legal Services Corporation shall be expended for any purpose prohibited or limited by, or contrary to any of the provisions of—

(1) sections 501, 502, 505, 506, and 507 of Public Law 104–134 (110 Stat. 1321–51 et seq.), and all funds appropriated in this Act to the Legal Services Corporation shall be subject to the same terms and conditions as set forth in such sections, except that all references in such sections to 1995 and 1996 shall be deemed to refer instead to 1998 and 1999, respectively; and

(2) section 504 of Public Law 104–134 (110 Stat. 1321–53 et seq.), and all funds appropriated in this Act to the Legal Services Corporation shall be subject to the same terms and conditions set forth in such section, except that—

(A) subsection (c) of such section 504 shall not apply;

(B) paragraph (3) of section 508(b) of Public Law 104–134 (110 Stat. 1321–58) shall apply with respect to the requirements of subsection (a)(13) of such section 504, except that all references in such section 508(b) to the date of enactment shall be deemed to refer to April 26, 1996; and

(C) subsection (a)(11) of such section 504 shall not be construed to prohibit a recipient from using funds derived from a source other than the Corporation to provide related legal assistance to—

(i) an alien who has been battered or subjected to extreme cruelty in the United States by a spouse or a parent, or by a member of the spouse's or parent's family residing in the same household as the alien and the spouse or parent consented or acquiesced to such battery or cruelty; or

(ii) an alien whose child has been battered or subjected to extreme cruelty in the United States by a spouse or parent of the alien (without the active participation of the alien in the battery or extreme cruelty), or by a member of the spouse's or parent's family residing in the same household as the alien and the spouse or parent consented or acquiesced to such battery or cruelty, and the alien did not actively participate in such battery or cruelty.

(b) DEFINITIONS.—For purposes of subsection (a)(2)(C):

(1) The term ''battered or subjected to extreme cruelty'' has the meaning given such term under regulations issued pursuant to subtitle G of the Violence Against Women Act of 1994 (Public Law 103–322; 108 Stat. 1953).

(2) The term ''related legal assistance'' means legal assistance directly related to the prevention of, or obtaining of relief from, the battery or cruelty described in such subsection.

SEC. 503. (a) CONTINUATION OF AUDIT REQUIREMENTS.—The requirements of section 509 of Public Law 104–134 (110 Stat. 1321–58 et seq.), other than subsection (l) of such section, shall apply during the current fiscal year.

(b) REQUIREMENT OF ANNUAL AUDIT.—An annual audit of each person or entity receiving financial assistance from the Legal Services Corporation under this Act shall be conducted during the current fiscal year in accordance with the requirements referred to in subsection (a).

SEC. 504. (a) DEBARMENT.—The Legal Services Corporation may debar a recipient, on a showing of good cause, from receiving an additional award of financial assistance from the Corporation. Any such action to debar a recipient shall be instituted after the Corporation provides notice and an opportunity for a hearing to the recipient.

(b) REGULATIONS.—The Legal Services Corporation shall promulgate regulations to implement this section.

(c) GOOD CAUSE.—In this section, the term ''good cause'', used with respect to debarment, includes—

(1) prior termination of the financial assistance of the recipient, under part 1640 of title 45, Code of Federal Regulations (or any similar corresponding regulation or ruling);

(2) prior termination in whole, under part 1606 of title 45, Code of Federal Regulations (or any similar corresponding regulation or ruling), of the most recent financial assistance received by the recipient, prior to date of the debarment decision;

(3) substantial violation by the recipient of the statutory or regulatory restrictions that prohibit recipients from using financial assistance made available by the Legal Services Corporation or other financial assistance for purposes prohibited under the Legal Services Corporation Act (42 U.S.C. 2996 et seq.) or for involvement in any activity prohibited by, or inconsistent with, section 504 of Public Law 104–134 (110 Stat. 1321–53 et seq.), section 502(a)(2) of Public Law 104–208 (110 Stat. 3009–59 et seq.), or section 502(a)(2) of this Act;

(4) knowing entry by the recipient into a subgrant, subcontract, or other agreement with an entity that had been debarred by the Corporation; or

(5) the filing of a lawsuit by the recipient, on behalf of the recipient, as part of any program receiving any Federal funds, naming the Corporation, or any agency or employee of a Federal, State, or local government, as a defendant.

MARINE MAMMAL COMMISSION

SALARIES AND EXPENSES

For necessary expenses of the Marine Mammal Commission as authorized by title II of Public Law 92–522, as amended, $1,240,000.

COMMISSION ON OCEAN POLICY

SALARIES AND EXPENSES

For the necessary expenses of the Commission on Ocean Policy, pursuant to S. 1213 as passed by the Senate in November 1996, $3,500,000, to remain available until expended: *Provided*, That the Commission shall present to the Congress with 18 months its recommendations for a national ocean policy.

SECURITIES AND EXCHANGE COMMISSION

SALARIES AND EXPENSES

For necessary expenses for the Securities and Exchange Commission, including services as authorized by 5 U.S.C. 3109, the rental of space (to include multiple year leases) in the District of Columbia and elsewhere, and not to exceed $3,000 for official reception and representation expenses, $341,098,000, of which not to exceed $10,000 may be used toward funding a permanent secretariat for the International Organization of Securities Commissions, and of which not to exceed $100,000 shall be available for expenses for consultations and meetings hosted by the Commission with foreign governmental and other regulatory officials, members of their delegations, appropriate representatives and staff to exchange views concerning developments relating to securities matters, development and implementation of cooperation agreements concerning securities matters and provision of technical assistance for the development of foreign securities markets, such expenses to include necessary logistic and administrative expenses and the expenses of Commission staff and foreign invitees in attendance at such consultations and meetings including: (1) such incidental expenses as meals taken in the course of such attendance, (2) any travel and transportation to or from such meetings, and (3) any other related lodging or subsistance: *Provided,* That fees and charges authorized by sections 6(b)(4) of the Securities Act of 1933 (15 U.S.C. 77f(b)(4)) and 31(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78ee(d)) and collected in fiscal year 1999 shall be credited to this account as offsetting collections: *Provided further*, That not to exceed $341,098,000 of such offsetting collections shall be available until expended for necessary expenses of this account: *Provided further*, That the total amount appropriated from the General Fund for fiscal year 1999 under this heading shall be reduced as all such offsetting fees are deposited to this appropriation so as to result in no fiscal year 1999 appropriation from the General Fund.

SMALL BUSINESS ADMINISTRATION

SALARIES AND EXPENSES

For necessary expenses, not otherwise provided for, of the Small Business Administration as authorized by Public Law 103–403, including hire of passenger motor vehicles as authorized by 31 U.S.C. 1343 and 1344, and not to exceed $3,500 for official reception and representation expenses, $265,000,000: *Provided,* That the Administrator is authorized to charge fees to cover the cost of publications developed by the Small Business Administration, and certain loan servicing activities: *Provided further,* That, notwithstanding 31 U.S.C. 3302, revenues received from all such activities shall be credited to this account, to be available for carrying out these purposes without further appropriations: *Provided further,* That $85,000,000 shall be available to fund grants for performance in fiscal year 1999 or fiscal year 2000 as authorized by section 21 of the Small Business Act, as amended.

OFFICE OF INSPECTOR GENERAL

For necessary expenses of the Office of Inspector General in carrying out the provisions of the Inspector General Act of 1978, as amended (5 U.S.C. App. 1–11, as amended by Public Law 100–504), $10,500,000.

BUSINESS LOANS PROGRAM ACCOUNT

For the cost of direct loans, $3,816,000, and the cost of guaranteed loans, $143,000,000, as authorized by 15 U.S.C. 631 note: *Provided*, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974: *Provided further,* That of the funds previously made available under Public Law 105–135, section 507(g), for the Delta Loan program, up to $20,000,000 may be transferred to and merged with the appropriations for salaries and expenses: *Provided further*, That during fiscal year 1999, commitments to guarantee loans under section 503 of the

Small Business Investment Act of 1958, as amended, shall not exceed the amount of financings authorized under section 20(d)(1)(B)(ii) of the Small Business Act, as amended: *Provided further*, That during fiscal year 1999, commitments for general business loans authorized under section 7(a) of the Small Business Act, as amended, shall not exceed $10,000,000,000 without prior notification of the Committees on Appropriations of the House of Representatives and Senate in accordance with section 605 of this Act.

In addition, for administrative expenses to carry out the direct and guaranteed loan programs, $94,000,000, which may be transferred to and merged with the appropriations for Salaries and Expenses.

DISASTER LOANS PROGRAM ACCOUNT

For administrative expenses to carry out the direct loan program, $94,000,000, including not to exceed $500,000 for the Office of Inspector General of the Small Business Administration for audits and reviews of disaster loans and the disaster loan program, and said sums shall be transferred to and merged with appropriations for the Office of Inspector General.

SURETY BOND GUARANTEES REVOLVING FUND

For additional capital for the ''Surety Bond Guarantees Revolving Fund'', authorized by the Small Business Investment Act, as amended, $3,300,000, to remain available without fiscal year limitation as authorized by 15 U.S.C. 631 note.

ADMINISTRATIVE PROVISION—SMALL BUSINESS ADMINISTRATION

Not to exceed 5 percent of any appropriation made available for the current fiscal year for the Small Business Administration in this Act may be transferred between such appropriations, but no such appropriation shall be increased by more than 10 percent by any such transfers: *Provided*, That any transfer pursuant to this paragraph shall be treated as a reprogramming of funds under section 605 of this Act and shall not be available for obligation or expenditure except in compliance with the procedures set forth in that section.

STATE JUSTICE INSTITUTE

SALARIES AND EXPENSES

For necessary expenses of the State Justice Institute, as authorized by the State Justice Institute Authorization Act of 1992 (Public Law 102–572 (106 Stat. 4515–4516)), $6,850,000, to remain available until expended: *Provided*, That not to exceed $2,500 shall be available for official reception and representation expenses.

TITLE VI—GENERAL PROVISIONS

SEC. 601. No part of any appropriation contained in this Act shall be used for publicity or propaganda purposes not authorized by the Congress.

SEC. 602. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein.

SEC. 603. The expenditure of any appropriation under this Act for any consulting service through procurement contract, pursuant to 5 U.S.C. 3109, shall be limited to those contracts where such expenditures are a matter of public record and available for public inspection, except where otherwise provided under existing law, or under existing Executive order issued pursuant to existing law.

SEC. 604. If any provision of this Act or the application of such provision to any person or circumstances shall be held invalid, the remainder of the Act and the application of each provision to persons or circumstances other than those as to which it is held invalid shall not be affected thereby.

SEC. 605. (a) None of the funds provided under this Act, or provided under previous appropriations Acts to the agencies funded by this Act that remain available for obligation or expenditure in fiscal year 1999, or provided from any accounts in the Treasury of the United States derived by the collection of fees available to the agencies funded by this Act, shall be available for obligation or expenditure through a reprogramming of funds which: (1) creates new programs; (2) eliminates a program, project, or activity; (3) increases funds or personnel by any means for any project or activity for which funds have been denied or restricted; (4) relocates an office or employees; (5) reorganizes offices, programs, or activities; or (6) contracts out or privatizes any functions, or activities presently performed by Federal employees; unless the Appropriations Committees of both Houses of Congress are notified fifteen days in advance of such reprogramming of funds.

(b) None of the funds provided under this Act, or provided under previous appropriations Acts to the agencies funded by this Act that remain available for obligation or expenditure in fiscal year 1999, or provided from any accounts in the Treasury of the United States derived by the collection of fees available to the agencies funded by this Act, shall be available for obligation or expenditure for activities, programs, or projects through a reprogramming of funds in excess of $1,000,000 or 20 percent, whichever is more, that: (1) augments existing programs, projects, or activities; (2) reduces by 20 percent funding for any existing program, project, or activity, or numbers of personnel by 20 percent as approved by Congress; or (3) results from any general savings from a reduction in personnel which would result in a change in existing programs, activities, or projects as approved by Congress; unless the Appropriations Committees of both Houses of Congress are notified fifteen days in advance of such reprogramming of funds.

SEC. 606. None of the funds made available in this Act may be used for the construction, repair (other than emergency repair), overhaul, conversion, or modernization of vessels for the National Oceanic and Atmospheric Administration in shipyards located outside of the United States.

SEC. 607. (a) PURCHASE OF AMERICAN-MADE EQUIPMENT AND PRODUCTS.—It is the sense of the Congress that, to the greatest extent practicable, all equipment and products purchased with funds made available in this Act should be American-made.

(b) NOTICE REQUIREMENT.—In providing financial assistance to, or entering into any contract with, any entity using funds made available in this Act, the head of each Federal agency, to the greatest extent practicable, shall provide to such entity a notice describing the statement made in subsection (a) by the Congress.

(c) PROHIBITION OF CONTRACTS WITH PERSONS FALSELY LABELING PRODUCTS AS MADE IN AMERICA.—If it has been finally determined by a court or Federal agency that any person intentionally affixed a label bearing a ''Made in America'' inscription, or any inscription with the same meaning, to any product sold in or shipped to the United States that is not made in the United States, the person shall be ineligible to receive any contract or subcontract made with funds made available in this Act, pursuant to the debarment, suspension, and ineligibility procedures described in sections 9.400 through 9.409 of title 48, Code of Federal Regulations.

SEC. 608. None of the funds made available in this Act may be used to implement, administer, or enforce any guidelines of the Equal Employment Opportunity Commission covering harassment based on religion, when it is made known to the Federal entity or official to which such funds are made available that such guidelines do not differ in any respect from the proposed guidelines published by the Commission on October 1, 1993 (58 Fed. Reg. 51266).

SEC. 609. None of the funds made available in this Act shall be used to provide the following amenities or personal comforts in the Federal prison system—

(1) in-cell television viewing except for prisoners who are segregated from the general prison population for their own safety;

(2) the viewing of R, X, and NC–17 rated movies, through whatever medium presented;

(3) any instruction (live or through broadcasts) or training equipment for boxing, wrestling, judo, karate, or other martial art, or any bodybuilding or weightlifting equipment of any sort;

(4) possession of in-cell coffee pots, hot plates or heating elements; or

(5) the use or possession of any electric or electronic musical instrument.

SEC. 610. Any costs incurred by a Department or agency funded under this Act resulting from personnel actions taken in response to funding reductions included in this Act shall be absorbed within the total budgetary resources available to such Department or agency: *Provided*, That the authority to transfer funds between appropriations accounts as may be necessary to carry out this section is provided in addition to authorities included elsewhere in this Act: *Provided further*, That use of funds to carry out this section shall be treated as a reprogramming of funds under section 605 of this Act and shall not be available for obligation or expenditure except in compliance with the procedures set forth in that section.

SEC. 611. None of the funds made available in this Act to the Federal Bureau of Prisons may be used to distribute or make available any commercially published information or material to a prisoner when it is made known to the Federal official having authority to obligate or expend such funds that such information or material is sexually explicit or features nudity.

SEC. 612. Of the funds appropriated in this Act under the heading ''OFFICE OF JUSTICE PROGRAMS—STATE AND LOCAL LAW ENFORCEMENT ASSISTANCE'', not more than 90 percent of the amount to be awarded to an entity under the Local Law Enforcement Block Grant shall be made available to such an entity when it is made known to the Federal official having authority to obligate or expend such funds that the entity that employs a public safety officer (as such term is defined in section 1204 of title I of the Omnibus Crime Control and Safe Streets Act of 1968) does not provide such a public safety officer who retires or is separated from service due to injury suffered as the direct and proximate result of a personal injury sustained in the line of duty while responding to an emergency situation or a hot pursuit (as such terms are defined by State law) with the same or better level of health insurance benefits at the time of retirement or separation as they received while on duty.

SEC. 613. (a) None of the funds appropriated or otherwise made available in this Act shall be used to issue visas to any person who—

(1) has been credibly alleged to have ordered, carried out, or materially assisted in the extrajudicial and political killings of Antoine Izmery, Guy Malary, Father Jean-Marie Vincent, Pastor Antoine Leroy, Jacques Fleurival, Mireille Durocher Bertin, Eugene Baillergeau, Michelange Hermann, Max Mayard, Romulus Dumarsais, Claude Yves Marie, Mario Beaubrun, Leslie Grimar, Joseph Chilove, Michel Gonzalez, and Jean-Hubert Feuille;

(2) has been included in the list presented to former President Jean-Bertrand Aristide by former National Security Council Advisor Anthony Lake in December 1995, and acted upon by President Rene Preval;

(3) was sought for an interview by the Federal Bureau of Investigation as part of its inquiry into the March 28, 1995, murder of Mireille Durocher Bertin and Eugene Baillergeau, Jr., and was credibly alleged to have ordered, carried out, or materially assisted in those murders, per a June 28, 1995, letter to the then Minister of Justice of the Government of Haiti, Jean-Joseph Exume;

(4) was a member of the Haitian High Command during the period 1991 through 1994, and has been credibly alleged to have planned, ordered, or participated with members of the Haitian Armed Forces in—

(A) the September 1991 coup against any person who was a duly elected government official of Haiti (or a member of the family of such official), or

(B) the murders of thousands of Haitians during the period 1991 through 1994; or

(5) has been credibly alleged to have been a member of the paramilitary organization known as FRAPH who planned, ordered, or participated in acts of violence against the Haitian people.

(b) EXEMPTION.—Subsection (a) shall not apply if the Secretary of State finds, on a case-by-case basis, that the entry into the United States of a person who would otherwise be excluded under this section is necessary for medical reasons or such person has cooperated fully with the investigation of these political murders. If the Secretary of State exempts any such person, the Secretary shall notify the appropriate congressional committees in writing.

(c) REPORTING REQUIREMENT.—(1) The United States chief of mission in Haiti shall provide the Secretary of State a list of those who have been credibly alleged to have ordered or carried out the extrajudicial and political killings mentioned in paragraph (1) of subsection (a).

(2) The Secretary of State shall submit the list provided under paragraph (1) to the appropriate congressional committees not later than 3 months after the date of enactment of this Act.

(3) The Secretary of State shall submit to the appropriate congressional committees a list of aliens denied visas, and the Attorney General shall submit to the appropriate congressional committees a list of aliens refused entry to the United States as a result of this provision.

(4) The Secretary of State shall submit a report under this subsection not later than 6 months after the date of enactment of this Act and not later than March 1 of each year thereafter as long as the Government of Haiti has not completed the investigation of the extrajudicial and political killings and has not prosecuted those implicated for the killings specified in paragraph (1) of subsection (a).

(d) DEFINITION.—In this section, the term ''appropriate congressional committees'' means the Committee on International Relations and the Committee on Appropriations of the House of Representatives and the Committee on Foreign Relations and the Committee on Appropriations of the Senate.

SEC. 614. (a) None of the funds made available in this Act or any other Act hereafter enacted may be used to issue or renew a fishing permit or authorization for any fishing vessel of the United States greater than 165 feet in registered length, of more than 750 gross registered tons, or that has an engine or engines capable of producing more than 3,000 shaft horsepower that would allow such vessel to engage in fishing in any fishery within the exclusive economic zone of the United States (except territories), unless a certificate of documentation had been issued for the vessel, endorsed with a fishery endorsement that was effective on September 25, 1997, and endorsed with a fishery endorsement at all times thereafter, or unless the appropriate regional fishery management council recommends after the date the enactment of this Act, and the Secretary approves, a fishery management plan or amendment that specifically allows such a vessel to engage in such fishing.

(b) Any fishing permit or authorization issued or renewed prior to the date of the enactment of this Act for a fishing vessel that exceeds the length, tonnage, or horsepower thresholds in subsection (a) that would allow such vessel to engage in fishing for any Atlantic mackerel or herring (or both) in the waters off the east coast of the United States during fiscal year 1999 shall be null and void unless the appropriate regional fishery management council has recommended and the Secretary has approved a fishery management plan or plan amendment that specifically allows such vessel to engage in such fishing.

(c) The prohibition in this section shall not apply to fishing vessels in the menhaden fishery, which occurs primarily outside the exclusive economic zone of the United States.

SEC. 615. None of the funds made available in this Act may be used to pay the expenses of an election officer appointed by a court to oversee an election of any officer or trustee for the International Brotherhood of Teamsters.

SEC. 616. (a) IN GENERAL.—Section 1303 of the International Security and Development Corporation Act of 1985 (16 U.S.C. 469j) is amended—

(1) in subsection (d)(1)—

(A) by striking ''21'' and inserting ''15''; and

(B) by striking ''7'' each place it appears and inserting ''5''; and

(2) in subsection (e), by striking ''three'' and inserting ''six''.

(b) SAVINGS PROVISION.—The enactment of the amendments made by paragraph (1) of subsection (a) shall not require any person appointed as a member of the Commission for the Preservation of America's Heritage Abroad before the date of enactment of this Act to terminate his or her service prior to the expiration of his or her current term of service.

SEC. 617. JAPAN-UNITED STATES FRIENDSHIP COMMISSION. (a) RELIEF FROM RESTRICTION OF INTERCHANGEABILITY OF FUNDS.—Section 6(4) of the Japan-United States Friendship Act (22 U.S.C. 2905(4)) is amended by striking ''needed, except'' and all that follows through ''United States'' and inserting ''needed''.

(b) The second sentence of section 7(b) of the Japan-United States Friendship Act (22 U.S.C. 2906(b)) is amended to read as follows: ''Such investment may be made in only interest-bearing obligations of the United States, in obligations guaranteed as to both principal and interest by the United States, in interest-bearing obligations of Japan, or in obligations guaranteed as to both principal and interest by Japan.''.

SEC. 618. STUDY ON INTERNET ACCESS AND COMMUNICATIONS AND THE TAXATION OF THE INTERNET. (a) DEFINITIONS.—In this section:

(1) INTERNET.—The term ''Internet'' has the meaning provided that term in section 230(e)(1) of the Communications Act of 1934 (47 U.S.C. 230(e)(1)).

(2) SECRETARY.—The term ''Secretary'' means the Secretary of Commerce.

(b) STUDY AND REPORT.—

(1) IN GENERAL.—Not later than March 1, 1999, the Secretary, in consultation with the Secretary of State and the Secretary of the Treasury, shall conduct a study under this section and submit to the Committee on Appropriations a report on the results of the study.

(2) CONTENTS OF STUDY.—The study conducted by the Secretary under this section shall examine—

(A) the taxation of the Internet by States and political subdivisions thereof;

(B) access to the Internet; and

(C) communications and transactions conducted through the Internet.

(3) EFFECTS OF TAXATION.—With respect to the taxation of the Internet, the study conducted by the Secretary under this section shall examine the extent to which—

(A) that taxation may impede the progress and development of the Internet; and

(B) the effect that taxation may have with respect to the efforts of the President to keep the Internet free of discriminatory taxes on an international level.

SEC. 619. (a) PURPOSE.—The purpose of this section is to allow for the investment of joint Federal and State funds from the civil settlement of damages from the Exxon Valdez oil spill.

(b) INVESTMENT OF JOINT TRUST FUNDS.—Notwithstanding any other provision of law, upon the joint motion of the United States and the State of Alaska and the issuance of an appropriate order by the United States District Court for the District of Alaska, the joint trust funds or any portion thereof, including any interest accrued thereon, previously received or to be received by the United States and the State of Alaska pursuant to the Agreement and Consent Decree issued in United States v. Exxon Corporation, et al. (No. A91–082 CIV) and State of Alaska v. Exxon Corporation, et al. (No. A91–083 CIV) (hereafter referred to as the ''Consent Decree''), may be deposited in appropriate accounts outside the Court Registry, including the Natural Resource Damage Assessment and Restoration Fund (hereafter referred to as the ''Fund'') established in title I of the Department of the Interior and Related Agencies Appropriations Act, 1992 (Public Law 102–154, 43 U.S.C. 1474b) and such accounts outside the United States Treasury consisting of income-producing obligations and other instruments or securities of a type or class that have been determined unanimously by the Federal and State natural resource trustees for the Exxon Valdez oil spill to have a high degree of reliability and security: *Provided*, That any joint trust funds in the Fund and any such outside accounts that have been approved unanimously by the trustees for expenditure by or through a State or Federal agency shall be transferred promptly from the Fund and such outside accounts to the State or United States upon the joint request of the governments: *Provided further*, That the transfer of joint trust funds outside the Court Registry shall not affect the supervisory jurisdiction of such District Court under the Consent Decree or the Memorandum of Agreement and Consent Decree in United States v. State of Alaska (No. A91–081–CIV) over all expenditures of the joint trust funds: *Provided further*, That nothing herein shall affect the requirement of section 207 of the Dire Emergency Supplemental Appropriations and Transfers for Relief From the Effects of Natural Disasters, for Other Urgent Needs, and for the Incremental Cost of ''Operation Desert Shield/Desert Storm'' Act of 1992 (Public Law 102–229, 42 U.S.C. 1474b note) that amounts received by the United States and designated by the trustees for the expenditure by or through a Federal agency must be deposited into the Fund: *Provided further*, That any interest accrued under the authority in this

section may be used only for grants for marine research and monitoring (including applied fisheries research) and for community and economic restoration projects (including projects proposed by the fishing industry and facilities): *Provided further*, That the Federal trustees are hereby authorized to administer such grants: *Provided further*, That the authority provided in this section shall expire on September 30, 2002, unless by September 30, 2001 the trustees have submitted to the Congress legislation to establish a board to administer funds invested, interest received, and grants awarded from such interest.

SEC. 620. None of the funds appropriated pursuant to this Act or any other provision of law may be used for (1) any system to implement 18 U.S.C. 922(t) that does not require and result in the immediate destruction of all information, in any form whatsoever, submitted by or on behalf of any person who has been determined not to be prohibited from owning a firearm; (2) the implementation of any tax or fee in connection with the implementation of 18 U.S.C. 922(t): *Provided*, That any person aggrieved by a violation of this provision may bring an action in the Federal district court for the district in which the person resides: *Provided further*, That any person who is successful with respect to any such action shall receive damages, punitive damages, and such other remedies as the court may determine to be appropriate, including a reasonable attorney's fee. The provisions of this section shall become effective upon enactment of this Act.

SEC. 621. SENSE OF THE SENATE ON THE BUDGET AND SOCIAL SECURITY. (a) FINDINGS.—The Senate finds that—

(1) the Social Security system provides benefits to 44,000,000 Americans, including 27,300,000 retirees, over 4,500,000 people with disabilities, 3,800,000 surviving children and 8,400,000 surviving adults, and is essential to the dignity and security of the Nation's elderly and disabled;

(2) the Trustees of the Federal Old-Age and Survivors Insurance and Disability Insurance Trust Funds have reported to the Congress that the ''total income'' of the Social Security system ''is estimated to fall short of expenditures beginning in 2021 and in each year thereafter . . . until the assets of the combined trust funds are exhausted in 2032'';

(3) intergenerational fairness, honest accounting principles, prudent budgeting, and sound economic policy all require saving Social Security first, in order that the Nation may better afford the retirement of the baby boom generation, beginning in 2010;

(4) in reforming Social Security in 1983, the Congress intended that near-term Social Security trust fund surpluses be used to prefund the retirement of the baby boom generation;

(5) in his State of the Union message to the joint session of Congress on January 27, 1998, President Clinton called on the Congress to ''save Social Security first'' and to ''reserve one hundred percent of the surplus, that is any penny of any surplus, until we have taken all the necessary measures to strengthen the Social Security system for the twenty-first century'';

(6) saving Social Security first would work to expand national savings, reduce interest rates, enhance private investment, increase labor productivity, and boost economic growth;

(7) section 13301 of the Budget Enforcement Act of 1990 expressly forbids counting Social Security trust fund surpluses as revenue available to balance the budget; and

(8) the Congressional Budget Office has estimated that the unified budget surplus will reach nearly $1,500,000,000,000 over the next ten years.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that Congress and the President should—

(1) continue to rid our country of debt and work to balance the budget without counting Social Security trust fund surpluses;

(2) work in a bipartisan way on specific legislation to reform the Social Security system, to ensure that it is financially sound over the long term and will be available for all future generations;

(3) save Social Security first; and

(4) return all remaining surpluses to American taxpayers.

SEC. 622. REPORT BY THE JUDICIAL CONFERENCE. (a) Not later than September 1, 1999, the Judicial Conference of the United States shall prepare and submit to the Committees on Appropriations of the Senate and of the House of Representatives, and to the Committees on the Judiciary of the Senate and the House of Representatives, a report evaluating whether an amendment to Rule 6 of the Federal Rules of Criminal Procedure permitting the presence in the grand jury room of counsel for a witness who is testifying before the grand jury would further the interests of justice and law enforcement.

(b) In preparing the report referred to in subsection (a) of this section the Judicial Conference shall consider the views of the Department of Justice, the organized Bar, the academic legal community, and other interested parties.

(c) Nothing in this section shall require the Judicial Conference to submit recommendations to the Congress in accordance with the Rules Enabling Act, nor prohibit the Conference from doing so.

SEC. 623. POLICIES RELATING TO FEDERALISM. It is the sense of the Senate that the President should repeal Executive Order No. 13083, issued May 14, 1998 and should reissue Executive Order No. 12612, issued October 26, 1987, and Executive Order No. 12875, issued October 26, 1993.

SEC. 624. PROHIBITION ON INTERNET GAMBLING. (a) SHORT TITLE.—This section may be cited as the ''Internet Gambling Prohibition Act of 1998''.

(b) DEFINITIONS.—Section 1081 of title 18, United States Code, is amended—

(1) in the matter immediately following the colon, by designating the first 5 undesignated paragraphs as paragraphs (1) through (5), respectively, and indenting each paragraph 2 ems to the right; and

(2) by adding at the end the following:

''(6) BETS OR WAGERS.—The term 'bets or wagers'—

''(A) means the staking or risking by any person of something of value upon the outcome of a contest of others, sporting event of others, or of any game of chance, upon an agreement or understanding that the person or another person will receive something of value based on that outcome;

''(B) includes the purchase of a chance or opportunity to win a lottery or other prize (which opportunity to win is predominantly subject to chance);

''(C) includes any scheme of a type described in section 3702 of title 28, United States Code; and

''(D) does not include—

''(i) a bona fide business transaction governed by the securities laws (as that term is defined in section 3(a)(47) of the Securities Exchange Act of 1934 (15 U.S.C. 78c(a)(47))) for the purchase or sale at a future date of securities (as that term is defined in section 3(a)(10) of the Securities Exchange Act of 1934 (15 U.S.C. 78c(a)(10)));

''(ii) a transaction on or subject to the rules of a contract market designated pursuant to section 5 of the Commodity Exchange Act (7 U.S.C. 7);

''(iii) a contract of indemnity or guarantee;

''(iv) a contract for life, health, or accident insurance; or

''(v) participation in a game or contest, otherwise lawful under applicable Federal or State law—

''(I) that, by its terms or rules, is not dependent on the outcome of any single sporting event, any series or sporting events, any tournament, or the individual performance of 1 or more athletes or teams in a single sporting event;

''(II) in which the outcome is determined by accumulated statistical results of games or contests involving the performances of amateur or professional athletes or teams; and

''(III) in which the winner or winners may receive a prize or award;

(otherwise know as a 'fantasy sport league' or a 'rotisserie league') if such participation is without charge to the participant or any charge to a participant is limited to a reasonable administrative fee.

''(7) FOREIGN JURISDICTION.—The term 'foreign jurisdiction' means a jurisdiction of a foreign country or political subdivision thereof.

''(8) INFORMATION ASSISTING IN THE PLACING OF A BET OR WAGER.—The term 'information assisting in the placing of a bet or wager'—

''(A) means information that is intended by the sender or recipient to be used by a person engaged in the business of betting or wagering to accept or place a bet or wager; and

''(B) does not include—

''(i) information concerning parimutuel pools that is exchanged between or among 1 or more racetracks or other parimutuel wagering facilities licensed by the State or approved by the foreign jurisdiction in which the facility is located, and 1 or more parimutuel wagering facilities licensed by the State or approved by the foreign jurisdiction in which the facility is located, if that information is used only to conduct common pool parimutuel pooling under applicable law;

''(ii) information exchanged between or among 1 or more racetracks or other parimutuel wagering facilities licensed by the State or approved by the foreign jurisdiction in which the facility is located, and a support service located in another State or foreign jurisdiction, if the information is used only for processing bets or wagers made with that facility under applicable law;

''(iii) information exchanged between or among 1 or more wagering facilities that are located within a single State and are licensed and regulated by that State, and any support service, wherever located, if the information is used only for the pooling or processing of bets or wagers made by or with the facility or facilities under applicable State law;

''(iv) any news reporting or analysis of wagering activity, including odds, racing or event results, race and event schedules, or categories of wagering; or

''(v) any posting or reporting of any educational information on how to make a bet or wager or the nature of betting or wagering.''.

(c) PROHIBITION ON INTERNET GAMBLING.—

(1) IN GENERAL.—Chapter 50 of title 18, United States Code, is amended by adding at the end the following:

''§ 1085. Internet gambling

''(a) DEFINITIONS.—In this section:

''(1) CLOSED-LOOP SUBSCRIBER-BASED SERVICE.—The term 'closed-loop subscriber-based service' means any information service or system that uses—

''(A) a device or combination of devices—

''(i) expressly authorized and operated in accordance with the laws of a State for the purposes described in subsection (e); and

''(ii) by which a person located within a State must subscribe to be authorized to place, receive, or otherwise make a bet or wager, and must be physically located within that State in order to be authorized to do so;

''(B) a customer verification system to ensure that all applicable Federal and State legal and regulatory requirements for lawful gambling are met; and

''(C) appropriate data security standards to prevent unauthorized access.

''(2) GAMBLING BUSINESS.—The term 'gambling business' means a business that is conducted at a gambling establishment, or that—

''(A) involves—

''(i) the placing, receiving, or otherwise making of bets or wagers; or

''(ii) offers to engage in placing, receiving, or otherwise making bets or wagers;

''(B) involves 1 or more persons who conduct, finance, manage, supervise, direct, or own all or part of such business; and

''(C) has been or remains in substantially continuous operation for a period in excess of 10 days or has a gross revenue of $2,000 or more during any 24-hour period.

''(3) INTERACTIVE COMPUTER SERVICE.—The term 'interactive computer service' means any information service, system, or access software provider that uses a public communication infrastructure or operates in interstate or foreign commerce to provide or enable computer access by multiple users to a computer server, including specifically a service or system that provides access to the Internet.

''(4) INTERNET.—The term 'Internet' means the international computer network of both Federal and non-Federal interoperable packet switched data networks.

''(5) PERSON.—The term 'person' means any individual, association, partnership, joint venture, corporation, State or political subdivision thereof, department, agency, or instrumentality of a State or political subdivision thereof, or any other government, organization, or entity.

''(6) PRIVATE NETWORK.—The term 'private network' means a communications channel or channels, including voice or computer data transmission facilities, that use either—

''(A) private dedicated lines; or

''(B) the public communications infrastructure, if the infrastructure is secured by means of the appropriate private communications technology to prevent unauthorized access.

''(7) STATE.—The term 'State' means a State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, or a commonwealth, territory, or possession of the United States.

''(b) GAMBLING.—

''(1) PROHIBITION.—Subject to subsection (e), it shall be unlawful for a person knowingly to use the Internet or any other interactive computer service—

''(A) to place, receive, or otherwise make a bet or wager with any person; or

''(B) to send, receive, or invite information assisting in the placing of a bet or wager with the intent to send, receive, or invite information assisting in the placing of a bet or wager.

''(2) PENALTIES.—A person who violates paragraph (1) shall be—

''(A) fined in an amount that is not more than the greater of—

''(i) three times the greater of—

''(I) the total amount that the person is found to have wagered through the Internet or other interactive computer service; or

''(II) the total amount that the person is found to have received as a result of such wagering; or

''(ii) $500;

''(B) imprisoned not more than 3 months; or

''(C) both.

''(c) GAMBLING BUSINESSES.—

''(1) PROHIBITION.—Subject to subsection (e), it shall be unlawful for a person engaged in a gambling business knowingly to use the Internet or any other interactive computer service—

''(A) to place, receive, or otherwise make a bet or wager; or

''(B) to send, receive, or invite information assisting in the placing of a bet or wager.

''(2) PENALTIES.—A person engaged in a gambling business who violates paragraph (1) shall be—

''(A) fined in an amount that is not more than the greater of—

''(i) the amount that such person received in bets or wagers as a result of engaging in that business in violation of this subsection; or

''(ii) $20,000;

''(B) imprisoned not more than 4 years; or

''(C) both.

''(d) PERMANENT INJUNCTIONS.—Upon conviction of a person under this section, the court may, as an additional penalty, enter a permanent injunction enjoining the transmission of bets or wagers or information assisting in the placing of a bet or wager.

''(e) EXCEPTIONS.—

''(1) IN GENERAL.—Subject to paragraph (2), the prohibitions in this section shall not apply to any—

''(A) otherwise lawful bet or wager that is placed, received, or otherwise made wholly intrastate for a State lottery or a racing or parimutuel activity, or a multi-State lottery operated jointly between 2 or more States in conjunction with State lotteries, (if the lottery or activity is expressly authorized, and licensed or regulated, under applicable Federal or State law) on—

''(i) an interactive computer service that uses a private network, if each person placing or otherwise making that bet or wager is physically located at a facility that is open to the general public; or

''(ii) a closed-loop subscriber-based service that is wholly intrastate; or

''(B) otherwise lawful bet or wager for class II or class III gaming (as defined in section 4 of the Indian Gaming Regulatory Act (25 U.S.C. 2703)) that is placed, received, or otherwise made on a closed-loop subscriber-based service or an interactive computer service that uses a private network, if—

''(i) each person placing, receiving, or otherwise making that bet or wager is physically located on Indian land; and

''(ii) all games that constitute class III gaming are conducted in accordance with an applicable Tribal-State compact entered into under section 11(d) of the Indian Gaming Regulatory Act (25 U.S.C. 2701(d)) by a State in which each person placing, receiving, or otherwise making that bet or wager is physically located.

''(2) INAPPLICABILITY OF EXCEPTION TO BETS OR WAGERS MADE BY AGENTS OR PROXIES.—An exception under subparagraph (A) or (B) of paragraph (1) shall not apply in any case in which a bet or wager is placed, received, or otherwise made by the use of an agent or proxy using the Internet or an interactive computer service. Nothing in this paragraph shall be construed to prohibit the owner operator of a parimutuel wagering facility that is licensed by a State from employing an agent in the operation of the account wagering system owned or operated by the parimutuel facility.

''(f) STATE LAW.—Nothing in this section shall be construed to create immunity from criminal prosecution or civil liability under the law of any State.''.

(2) TECHNICAL AMENDMENT.—The analysis for chapter 50 of title 18, United States Code, is amended by adding at the end the following:

''1085. Internet gambling.''.

(d) CIVIL REMEDIES.—

(1) IN GENERAL.—The district courts of the United States shall have original and exclusive jurisdiction to prevent and restrain violations of section 1085 of title 18, United States Code, as added by this section, by issuing appropriate orders.

(2) PROCEEDINGS.—

(A) INSTITUTION BY FEDERAL GOVERNMENT.—The United States may institute proceedings under this section. Upon application of the United States, the district court may enter a temporary restraining order or an injunction against any person to prevent a violation of section 1085 of title 18, United States Code, as added by this section, if the court determines, after notice and an opportunity for a hearing, that there is a substantial probability that such violation has occurred or will occur.

(B) INSTITUTION BY STATE ATTORNEY GENERAL.—

(i) IN GENERAL.—Subject to subclause (ii), the attorney general of a State (or other appropriate State official) in which a violation of section 1085 of title 18, United States Code, as added by this section, is alleged to have occurred, or may occur, after providing written notice to the United States, may institute proceedings under this subsection. Upon application of the attorney general (or other appropriate State official) of the affected State, the district court may enter a temporary restraining order or an injunction against any person to prevent a violation of section 1085 of title 18, United States Code, as added by this section, if the court determines, after notice and an opportunity for a hearing, that there is a substantial probability that such violation has occurred or will occur.

(ii) INDIAN LANDS.—With respect to a violation of section 1085 of title 18, United States Code, as added by this section, that is alleged to have occurred, or may occur, on Indian lands (as defined in section 4 of the Indian Gaming Regulatory Act (25 U.S.C. 2703)), the enforcement authority under clause (i) shall be limited to the remedies under the Indian Gaming Regulatory Act (25 U.S.C. 2701 et seq.), including any applicable Tribal-State compact negotiated under section 11 of that Act (25 U.S.C. 2710).

(C) ORDERS AND INJUNCTIONS AGAINST INTERNET SERVICE PROVIDERS.—Notwithstanding subparagraph (A) or (B), the following rules shall apply in any proceeding instituted under this paragraph in which application is made for a temporary restraining order or an injunction against an interactive computer service:

(i) SCOPE OF RELIEF.—

(I) If the violation of section 1085 of title 18, United States Code, originates with a customer of the interactive computer service's system or network, the court may require the service to terminate the specified account or accounts of the customer, or of any readily identifiable successor in interest, who is using such service to place, receive or otherwise make a bet or wager, engage in a gambling business, or to initiate a transmission that violates such section 1085.

(II) Any other relief ordered by the court shall be technically feasible for the system or network in question under current conditions, reasonably effective in preventing a violation of section 1085, of title 18, United States Code, and shall not unreasonably interfere with access to lawful material at other online locations.

(III) No relief shall issue under clause (i)(II) if the interactive computer service

demonstrates, after an opportunity to appear at a hearing, that such relief is not economically reasonable for the system or network in question under current conditions.

(ii) CONSIDERATIONS.—In the case of an application for relief under clause (i)(II), the court shall consider, in addition to all other factors that the court shall consider in the exercise of its equitable discretion, whether—

(I) such relief either singularly or in combination with such other injunctions issued against the same service under this paragraph, would seriously burden the operation of the service's system or network compared with other comparably effective means of preventing violations of section 1085 of title 18, United States Code;

(II) in the case of an application for a temporary restraining order or an injunction to prevent a violation of section 1085 of title 18, United States Code, by a gambling business (as is defined in such section 1085) located outside the United States, the relief is more burdensome to the service than taking comparably effective steps to block access to specific, identified sites used by the gambling business located outside the United States; and

(III) in the case of an application for a temporary restraining order or an injunction to prevent a violation of section 1085 of title 18, United States Code, as added by this section, relating to material or activity located within the United States, whether less burdensome, but comparably effective means are available to block access by a customer of the service's system or network to information or activity that violates such section 1085.

(iii) FINDINGS.—In any order issued by the court under this paragraph, the court shall set forth the reasons for its issuance, shall be specific in its terms, and shall describe in reasonable detail, and not by reference to the complaint or other document, the act or acts sought to be restrained and the general steps to be taken to comply with the order.

(D) EXPIRATION.—Any temporary restraining order or preliminary injunction entered pursuant to this paragraph shall expire if, and as soon as, the United States, or the attorney general (or other appropriate State official) of the State, as applicable, notifies the court that issued the injunction that the United States or the State, as applicable, will not seek a permanent injunction.

(3) EXPEDITED PROCEEDINGS.—

(A) IN GENERAL.—In addition to proceedings under paragraph (2), a district court may enter a temporary restraining order against a person alleged to be in violation of section 1085 of title 18, United States Code, as added by this section, upon application of the United States under paragraph (2)(A), or the attorney general (or other appropriate State official) of an affected State under paragraph (2)(B), without notice and the opportunity for a hearing, if the United States or the State, as applicable, demonstrates that there is probable cause to believe that the transmission at issue violates section 1085 of title 18, United States Code, as added by this section.

(B) EXPIRATION.—A temporary restraining order entered under this paragraph shall expire on the earlier of—

(i) the expiration of the 30-day period beginning on the date on which the order is entered; or

(ii) the date on which a preliminary injunction is granted or denied.

(C) HEARINGS.—A hearing requested concerning an order entered under this paragraph shall be held at the earliest practicable time.

(4) RULE OF CONSTRUCTION.—In the absence of fraud or bad faith, no interactive computer service (as defined in section 1085(a) of title 18, United States Code, as added by this section) shall be liable for any damages, penalty, or forfeiture, civil or criminal, for a reasonable course of action taken to comply with a court order issued under paragraph (2) or (3) of this subsection.

(5) PROTECTION OF PRIVACY.—Nothing in this section or the amendments made by this section shall be construed to authorize an affirmative obligation on an interactive computer service—

(A) to monitor use of its service; or

(B) except as required by an order of a court, to access, remove or disable access to material where such material reveals conduct prohibited by this section and the amendments made by this section.

(6) NO EFFECT ON OTHER REMEDIES.—Nothing in this subsection shall be construed to affect any remedy under section 1084 or 1085 of title 18, United States Code, as amended by this section, or under any other Federal or State law. The availability of relief under this subsection shall not depend on, or be affected by, the initiation or resolution of any action under section 1084 or 1085 of title 18, United States Code, as amended by this section, or under any other Federal or State law.

(7) CONTINUOUS JURISDICTION.—The court shall have continuous jurisdiction under this subsection to enforce section 1085 of title 18, United States Code, as added by this section.

(e) REPORT ON ENFORCEMENT.—Not later than 3 years after the date of enactment of this Act, the Attorney General shall submit a report to Congress that includes—

(1) an analysis of the problems, if any, associated with enforcing section 1085 of title 18, United States Code, as added by this section;

(2) recommendations for the best use of the resources of the Department of Justice to enforce that section; and

(3) an estimate of the amount of activity and money being used to gamble on the Internet.

(f) REPORT ON COSTS.—Not later than 3 years after the date of enactment of this Act, the Secretary of Commerce shall submit a report to Congress that includes—

(1) an analysis of existing and potential methods or technologies for filtering or screening transmissions in violation of section 1085 of title 18, United States Code, as added by this section, that originate outside of the territorial boundaries of any State or the United States;

(2) a review of the effect, if any, on interactive computer services of any court ordered temporary restraining orders or injunctions imposed on those services under this section;

(3) a calculation of the cost to the economy of illegal gambling on the Internet, and other societal costs of such gambling; and

(4) an estimate of the effect, if any, on the Internet caused by any court ordered temporary restraining orders or injunctions imposed under this section.

(g) SEVERABILITY.—If any provision of this section, an amendment made by this section, or the application of such provision or amendment to any person or circumstance is held to be unconstitutional, the remainder of this section, the amendments made by this section, and the application of the provisions of such to any person or circumstance shall not be affected thereby.

SEC. 625. SENSE OF THE SENATE REGARDING JAPAN'S RECESSION. (a) FINDINGS.—Congress makes the following findings:

(1) The United States and Japan share common goals of peace, stability, democracy, and economic prosperity in East and Southeast Asia and around the world.

(2) Japan's economic and financial crisis represents a new challenge to United States-Japanese cooperation to achieve these common goals and threatens the economic stability of East and Southeast Asia and the United States.

(3) A strong United States-Japanese alliance is critical to stability in East and Southeast Asia.

(4) The importance of the United States-Japanese alliance was reaffirmed by the President of the United States and the Prime Minister of Japan in the April 1996 Joint Security Declaration.

(5) United States-Japanese bilateral military cooperation was enhanced with the revision of the United States Guidelines for Defense Cooperation in 1997.

(6) The Japanese economy, the second largest in the world and over 2 times larger than the economy in the rest of East Asia, has been growing at a little over 1 percent annually since 1991 and is currently in a recession with some forecasts suggesting that it will contract by 1.5 percent in 1998.

(7) The estimated $574,000,000,000 of problem loans in Japan's banking sector and other problems associated with an unstable banking sector remain the major roadblock to economic recovery in Japan.

(8) The recent weakness in the yen, following a 10 percent depreciation of the yen against the dollar over the last 5 months and a 45 percent depreciation since 1995, has placed competitive price pressures on United States industries and workers and is putting downward pressure on China and the rest of the economies in East and Southeast Asia to begin another round of competitive currency devaluations.

(9) Japan's current account surplus has increased by 60 percent over the last 12 months from 71,579,000,000 yen in 1996 to 114,357,000,000 yen in 1997.

(10) A period of deflation in Japan would lead to lower demand for United States products.

(11) The unnecessary and burdensome regulation of the Japanese market constrains Japanese economic growth and raises costs to business and consumers.

(12) Deregulating Japan's economy and spurring economic growth would ultimately benefit the Japanese people with a higher standard of living and a more secure future.

(13) Japan's economic recession is slowing the growth of the United States gross domestic product and job creation in the United States.

(14) Japan has made significant efforts to restore economic growth with a 16,000,000,000,000 yen stimulus package that includes 4,500,000,000,000 yen in tax cuts and 11,500,000,000,000 yen in government spending, a Total Plan to restore stability to the private banking sector, and joint intervention with the United States to strengthen the value of the yen in international currency markets.

(15) The people of Japan expressed deep concern about economic conditions and government leadership in the Upper House elections held on July 12, 1998.

(16) The Prime Minister of Japan tendered his resignation on July 13, 1998, to take responsibility for the Liberal Democratic Party's poor election results and to acknowledge the desire of the people of Japan for new leadership to restore economic stability.

(17) Japan's economic recession is having an adverse effect on the economy of the United States and is now seriously threatening the 9 years of unprecedented economic expansion in the United States.

(18) Japan's economic recession is having an adverse effect on the recovery of the East and Southeast Asian economies.

(19) The American people and the countries of East and Southeast Asia are looking for a demonstration of Japanese leadership and close United States-Japanese cooperation in resolving Japan's economic crisis.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that—

(1) the President, the Secretary of the Treasury, and the United States Trade Representative should emphasize the importance of financial deregulation, including banking reform, market deregulation, and restructuring bad bank debt as fundamental to Japan's economic recovery; and

(2) the President, the Secretary of the Treasury, the United States Trade Representative, the Secretary of Commerce, and the Secretary of State should communicate to the Japanese Government that the first priority of the new Prime Minister of Japan and his Cabinet should be to restore economic growth in Japan and promote stability in international financial markets.

SEC. 626. (a) Add the following at the end of section 1153(b)(5)(C) of title 8, United States Code:

''(iv) DEFINITION.—

''(I) As used in this subsection the term 'capital' means cash, equipment, inventory, other tangible property, and cash equivalents, but shall not include indebtedness. Nothing in this subsection shall be construed to exclude documents, such as binding contracts, as evidence that a petitioner is in the process of investing capital as long as the capital is not in the form of indebtedness with a payback period that exceeds 21 months.

''(II) Assets acquired, directly or indirectly, by unlawful means (such as criminal activities) shall not be considered capital for the purposes of this subsection. A petitioner's sworn declaration concerning lawful sources of capital shall constitute presumptive proof of lawful sources for the purposes of this subsection, although nothing herein shall preclude further inquiry, prior to approval of conditional lawful permanent resident status.''.

(b) This section shall not apply to any application filed prior to July 23, 1998.

SEC. 627. (a) REQUIREMENT.—Section 230 of the Communications Act of 1934 (47 U.S.C. 230) is amended—

(1) by redesignating subsections (d) and (e) as subsections (e) and (f), respectively; and

(2) by inserting after subsection (c) the following new subsection (d):

''(d) OBLIGATIONS OF INTERNET ACCESS PROVIDERS.—

''(1) IN GENERAL.—An Internet access provider shall, at the time of entering into an agreement with a customer for the provision of Internet access services, offer such customer (either for a fee or at no charge) screening software that is designed to permit the customer to limit access to material on the Internet that is harmful to minors.

''(2) DEFINITIONS.—As used in this subsection:

''(A) INTERNET ACCESS PROVIDER.—The term 'Internet access provider' means a person engaged in the business of providing a computer and communications facility through which a customer may obtain access to the Internet, but does not include a common carrier to the extent that it provides only telecommunications services.

''(B) INTERNET ACCESS SERVICES.—The term 'Internet access services' means the provision of computer and communications services through which a customer using a computer and a modem or other communications device may obtain access to the Internet, but does not include telecommunications services provided by a common carrier.

''(C) SCREENING SOFTWARE.—The term 'screening software' means software that is designed to permit a person to limit access to material on the Internet that is harmful to minors.''.

(b) APPLICABILITY.—The amendments made by subsection (a) shall apply to agreements for the provision of Internet access services entered into on or after the date that is 6 months after the date of enactment of this Act.

SEC. 628. REPORT ON KOREAN STEEL SUBSIDIES. (a) IN GENERAL.—Not later than 60 days after the date of enactment of this Act, the United States Trade Representative (in this section referred to as the ''Trade Representative'') shall report to Congress on the Trade Representative's analysis regarding—

(1) whether the Korean Government provided subsidies to Hanbo Steel;

(2) whether such subsidies had an adverse effect on United States companies;

(3) the status of the Trade Representative's contacts with the Korean Government with respect to industry concerns regarding Hanbo Steel and efforts to eliminate subsidies; and

(4) the status of the Trade Representative's contacts with other Asian trading partners regarding the adverse effect of Korean steel subsidies on such trading partners.

(b) STATUS OF INVESTIGATION.—The report described in subsection (a) shall also include information on the status of any investigations initiated as a result of press reports that the Korean Government ordered Pohang Iron and Steel Company, in which the Government owns a controlling interest, to sell steel in Korea at a price that is 30 percent lower than the international market prices.

SEC. 629. Notwithstanding any other provision of law, no funds appropriated or otherwise made available for fiscal year 1999 by this Act or any other Act may be obligated or expended for purposes of enforcing any rule or regulation requiring the installation or operation aboard United States fishing industry vessels of the Global Maritime Distress and Safety System (GMDSS).

SEC. 630. AGRICULTURAL EXPORT CONTROLS. The International Emergency Economic Powers Act (50 U.S.C. 1701 et seq.) is amended—

(1) by redesignating section 208 as section 209; and

(2) by inserting after section 207 the following new section:

''SEC. 208. AGRICULTURAL CONTROLS.

''(a) IN GENERAL.—

''(1) REPORT TO CONGRESS.—If the President imposes export controls on any agricultural commodity in order to carry out the provisions of this Act, the President shall immediately transmit a report on such action to Congress, setting forth the reasons for the controls in detail and specifying the period of time, which may not exceed 1 year, that the controls are proposed to be in effect. If Congress, within 60 days after the date of its receipt of the report, adopts a joint resolution pursuant to subsection (b), approving the imposition of the export controls, then such controls shall remain in effect for the period specified in the report, or until terminated by the President, whichever occurs first. If Congress, within 60 days after the date of its receipt of such report, fails to adopt a joint resolution approving such controls, then such controls shall cease to be effective upon the expiration of that 60-day period.

''(2) APPLICATION OF PARAGRAPH (1).—The provisions of paragraph (1) and subsection (b) shall not apply to export controls—

''(A) which are extended under this Act if the controls, when imposed, were approved by Congress under paragraph (1) and subsection (b); or

''(B) which are imposed with respect to a country as part of the prohibition or curtailment of all exports to that country.

''(b) JOINT RESOLUTION.—

''(1) IN GENERAL.—For purposes of this subsection, the term 'joint resolution' means only a joint resolution the matter after the resolving clause of which is as follows: 'That, pursuant to section 208 of the International Emergency Economic Powers Act, the President may impose export controls as specified in the report submitted to Congress on _____.', with the blank space being filled with the appropriate date.

''(2) INTRODUCTION.—On the day on which a report is submitted to the House of Representatives and the Senate under subsection (a), a joint resolution with respect to the export controls specified in such report shall be introduced (by request) in the House of Representatives by the chairman of the Committee on International Relations, for himself and the ranking minority member of the Committee, or by Members of the House designated by the chairman and ranking minority member; and shall be introduced (by request) in the Senate by the Majority Leader of the Senate, for himself and the Minority Leader of the Senate, or by Members of the Senate designated by the Majority Leader and Minority Leader of the Senate. If either House is not in session on the day on which such a report is submitted, the joint resolution shall be introduced in that House, as provided in the preceding sentence, on the first day thereafter on which that House is in session.

''(3) REFERRAL.—All joint resolutions introduced in the House of Representatives and in the Senate shall be referred to the appropriate committee.

''(4) DISCHARGE OF COMMITTEE.—If the committee of either House to which a joint resolution has been referred has not reported the joint resolution at the end of 30 days after its referral, the committee shall be discharged from further consideration of the joint resolution or of any other joint resolution introduced with respect to the same matter.

''(5) CONSIDERATION IN SENATE AND HOUSE OF REPRESENTATIVES.—A joint resolution under this subsection shall be considered in the Senate in accordance with the provisions of section 601(b)(4) of the International Security Assistance and Arms Export Control Act of 1976. For the purpose of expediting the consideration and passage of joint resolutions reported or discharged pursuant to the provisions of this subsection, it shall be in order for the Committee on Rules of the House of Representatives to present for consideration a resolution of the House of Representatives providing procedures for the immediate consideration of a joint resolution under this subsection which may be similar, if applicable, to the procedures set forth in section 601(b)(4) of the International Security Assistance and Arms Export Control Act of 1976.

''(6) PASSAGE BY 1 HOUSE.—In the case of a joint resolution described in paragraph (1), if, before the passage by 1 House of a joint resolution of that House, that House receives a resolution with respect to the same matter from the other House, then—

''(A) the procedure in that House shall be the same as if no joint resolution had been received from the other House; but

''(B) the vote on final passage shall be on the joint resolution of the other House.

''(c) COMPUTATION OF TIME.—In the computation of the period of 60 days referred to in subsection (a) and the period of 30 days referred to in paragraph (4) of subsection (b), there shall be excluded the days on which either House of Congress is not in session because of an adjournment of more than 3 days to a day certain or because of an adjournment of Congress sine die.''.

SEC. 631. INVESTIGATION OF PRACTICES OF CANADIAN WHEAT BOARD. (a) IN GENERAL.—

Notwithstanding any other provision of law, not less than 4 of the new employees authorized in fiscal years 1998 and 1999 for the Office of the United States Trade Representative shall work on investigating pricing practices of the Canadian Wheat Board and determining whether the United States spring wheat, barley, or durum wheat industries have suffered injury as a result of those practices.

(b) SCOPE OF INVESTIGATION.—The purpose of the investigation described in subsection (a) shall be to determine whether the practices of the Canadian Wheat Board constitute violations of the antidumping or countervailing duty provisions of title VII of the Tariff Act of 1930 or the provisions of title II or III of the Trade Act of 1974. The investigation shall include—

(1) a determination as to whether the United States durum wheat industry, spring wheat industry, or barley industry is being materially injured or is threatened with material injury as a result of the practices of the Canadian Wheat Board;

(2) a determination as to whether the acts, policies, or practices of the Canadian Wheat Board—

(A) violate, or are inconsistent with, the provisions of, or otherwise deny benefits to the United States under, any trade agreement, or

(B) are unjustifiable or burden or restrict United States commerce;

(3) a review of home market price and cost of acquisition of Canadian grain;

(4) a determination as to whether Canadian grain is being imported into the United States in sufficient quantities to be a substantial cause of serious injury or threat of serious injury to the United States spring wheat, barley, or durum wheat industries; and

(5) a determination as to whether there is harmonization in the requirements for cross-border transportation of grain between Canada and the United States.

(c) ACTION BASED ON RESULTS OF THE INVESTIGATION.—

(1) IN GENERAL.—If, based on the investigation conducted pursuant to this section, there is an affirmative determination under subsection (b) with respect to any act, policy, or practice of the Canadian Wheat Board, appropriate action shall be initiated under title VII of the Tariff Act of 1930, or title II or III of the Trade Act of 1974.

(2) CORRECTION OF HARMONIZATION PROBLEMS.—If, based on the investigation conducted pursuant to this section, there is a determination that there is no harmonization for cross-border grain transportation between Canada and the United States, the United States Trade Representative shall report to Congress regarding what action should be taken in order to harmonize cross-border transportation requirements.

(d) REPORT.—Not later than 6 months after the date of enactment of this Act, the United States Trade Representative shall report to Congress on the results of the investigation conducted pursuant to this section.

(e) DEFINITION OF GRAIN.—For purposes of this section, the terms ''Canadian grain'' and ''grain'' include spring wheat, durum wheat, and barley.

SEC. 632. (a) IN GENERAL.—Section 331 of the Communications Act of 1934 (47 U.S.C. 331) is amended by adding at the end the following:

''(c) FM TRANSLATOR STATIONS.—(1) It may be the policy of the Commission, in any case in which the licensee of an existing FM translator station operating in the commercial FM band is licensed to a county (or to a community in such county) that has a population of 700,000 or more persons, is not an integral part of a larger municipal entity, and lacks a commercial FM radio station licensed to the county (or to any community within such county), to extend to the licensee—

''(A) authority for the origination of unlimited local programming through the station on a primary basis but only if the licensee abides in such programming by all rules, regulations, and policies of the Commission regarding program material, content, schedule, and public service obligations otherwise applicable to commercial FM radio stations; and

''(B) authority to operate the station (either omnidirectionally or directionally, with facilities equivalent to those of a station operating with maximum effective radiated power of less than 100 watts and maximum antenna height above average terrain of 100 meters) if—

''(i) the station is not located within 320 kilometers (approximately 199 miles) of the United States border with Canada or with Mexico;

''(ii) the station provides full service FM stations operating on co-channel and first adjacent channels protection from interference as required by rules and regulations of the Commission applicable to full service FM stations; and

''(iii) the station complies with any other rules, regulations, and policies of the Commission applicable to FM translator stations that are not inconsistent with the provisions of this subparagraph.

''(2) Notwithstanding any rules, regulations, or policies of the Commission applicable to FM translator stations, a station operated under the authority of paragraph (1)(B)—

''(A) may accept or receive any amount of theoretical interference from any full service FM station;

''(B) may be deemed to comply in such operation with any intermediate frequency (IF) protection requirements if the station's effective radiated power in the pertinent direction is less than 100 watts;

''(C) may not be required to provide protection in such operation to any other FM station operating on 2nd or 3rd adjacent channels;

''(D) may utilize transmission facilities located in the county to which the station is licensed or in which the station's community of license is located; and

''(E) may utilize a directional antennae in such operation to the extent that such use is necessary to assure provision of maximum possible service to the residents of the county in which the station is licensed or in which the station's community of license is located.

''(3)(A) A licensee may exercise the authority provided under paragraph (1)(A) immediately upon written notification to the Commission of its intent to exercise such authority.

''(B)(i) A licensee may submit to the Commission an application to exercise the authority provided under paragraph (1)(B). The Commission may treat the application as an application for a minor change to the license to which the application applies.

''(ii) A licensee may exercise the authority provided under paragraph (1)(B) upon the granting of the application to exercise the authority under clause (i).''.

(b) CONFORMING AMENDMENT.—The section heading of that section is amended to read as follows:

''SEC. 331. VERY HIGH FREQUENCY STATIONS AND AM AND FM RADIO STATIONS.''.

(c) RENEWAL OF CERTAIN LICENSES.—(1) Notwithstanding any other provision of law, the Federal Communications Commission may renew the license of an FM translator station the licensee of which is exercising authority under subparagraph (A) or (B) of section 331(c)(1) of the Communications Act of 1934, as added by subsection (a), upon application for renewal of such license filed after the date of enactment of this Act, if the Commission determines that the public interest, convenience, and necessity would be served by the renewal of the license.

(2) If the Commission determines under paragraph (1) that the public interest, convenience, and necessity would not be served by the renewal of a license, the Commission shall, within 30 days of the date on which the decision not to renew the license becomes final, provide for the filing of applications for licenses for FM translator service to replace the FM translator service covered by the license not to be renewed.

TITLE VII—RESCISSIONS

DEPARTMENT OF JUSTICE

GENERAL ADMINISTRATION

WORKING CAPITAL FUND

(RESCISSION)

Of the unobligated balances available under this heading on September 30, 1997, $45,326,000 are rescinded.

FEDERAL BUREAU OF INVESTIGATION

(RESCISSIONS)

Of the funds provided in previous Acts, the following funds are hereby rescinded from the following accounts in the specified amounts:

''Construction, 1996'', $6,000,000.

''Construction, 1998'', $4,000,000.

''Salaries and Expenses-Legal Attaché, 1998'', $4,178,000.

''Salaries and Expenses, no year'', $6,400,000.

''Violent Crime Reduction Program, 1996'', $2,000,000.

''Violent Crime Reduction Program, 1997'', $300,000.

DEPARTMENT OF COMMERCE

(RESCISSIONS)

Of the funds provided in previous Acts, the following funds are hereby rescinded from the following accounts in the specified amounts:

''United States Travel and Tourism Administration, no year'', $915,000.

''Endowment for Children's Educational TV, no year'', $1,175,000.

DEPARTMENT OF STATE

CONTRIBUTIONS TO INTERNATIONAL ORGANIZATIONS

(RESCISSION)

Of the total amount of appropriations provided in Acts enacted before this Act for the Interparliamentary Union, $400,000 is rescinded.

TITLE VIII—LOCAL GOVERNMENT LAW ENFORCEMENT BLOCK GRANT ACT

SEC. 801. SHORT TITLE; DEFINITIONS. (a) SHORT TITLE.—This title may be cited as the ''Local Government Law Enforcement Block Grant Act of 1998''.

(b) DEFINITIONS.—In this Act:

(1) DIRECTOR.—The term ''Director'' means the Director of the Bureau of Justice Assistance of the Department of Justice.

(2) JUVENILE.—The term ''juvenile'' means an individual who is 17 years of age or younger.

(3) LAW ENFORCEMENT EXPENDITURES.—The term ''law enforcement expenditures'' means the current operation expenditures associated with police, prosecutorial, legal, and judicial services, and corrections as reported to the Bureau of the Census.

(4) PART 1 VIOLENT CRIMES.—The term ''part 1 violent crimes'' means murder and nonnegligent manslaughter, forcible rape, robbery, and aggravated assault as reported

to the Federal Bureau of Investigation for purposes of the Uniform Crime Reports.

(5) PAYMENT PERIOD.—The term ''payment period'' means each 1-year period beginning on October 1 of any year in which a grant under this Act is awarded.

(6) STATE.—The term ''State'' means any State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, American Samoa, Guam, and the Northern Mariana Islands, except that American Samoa, Guam, and the Northern Mariana Islands shall be considered as 1 State and that, for purposes of section 805(a), 33 percent of the amounts allocated shall be allocated to American Samoa, 50 percent to Guam, and 17 percent to the Northern Mariana Islands.

(7) UNIT OF LOCAL GOVERNMENT.—The term ''unit of local government'' means—

(A) a county, township, city, or political subdivision of a county, township, or city, that is a general purpose unit of local government, as determined by the Secretary of Commerce for general statistical purposes, including a parish sheriff in the State of Louisiana;

(B) the District of Columbia and the recognized governing body of an Indian tribe or Alaska Native village that carries out substantial governmental duties and powers; and

(C) the Commonwealth of Puerto Rico, in addition to being considered a State, for the purposes set forth in section 802(a)(2).

SEC. 802. PAYMENTS TO LOCAL GOVERNMENTS. (a) PAYMENT AND USE.—

(1) PAYMENT.—The Director shall pay to each unit of local government that qualifies for a payment under this Act an amount equal to the sum of any amounts allocated to such unit under this Act for each payment period. The Director shall pay such amount from amounts appropriated to carry out this Act.

(2) USE.—Amounts paid to a unit of local government under this section shall be used by the unit for reducing crime and improving public safety, including but not limited to, 1 or more of the following purposes:

(A)(i) Hiring, training, and employing on a continuing basis new, additional law enforcement officers and necessary support personnel.

(ii) Paying overtime to presently employed law enforcement officers and necessary support personnel for the purpose of increasing the number of hours worked by such personnel.

(iii) Procuring equipment, technology, and other material directly related to basic law enforcement functions.

(B) Enhancing security measures—

(i) in and around schools; and

(ii) in and around any other facility or location that is considered by the unit of local government to have a special risk for incidents of crime.

(C) Establishing crime prevention programs that may, though not exclusively, involve law enforcement officials and that are intended to discourage, disrupt, or interfere with the commission of criminal activity, including neighborhood watch and citizen patrol programs, sexual assault and domestic violence programs, and programs intended to prevent juvenile crime.

(D) Establishing or supporting drug courts.

(E) Establishing early intervention and prevention programs for juveniles to reduce or eliminate crime.

(F) Enhancing the adjudication process of cases involving violent offenders, including the adjudication process of cases involving violent juvenile offenders.

(G) Enhancing programs under subpart 1 of part E of the Omnibus Crime Control and Safe Streets Act of 1968.

(H) Establishing cooperative task forces between adjoining units of local government to work cooperatively to prevent and combat criminal activity, particularly criminal activity that is exacerbated by drug or gang-related involvement.

(I) Establishing a multijurisdictional task force, particularly in rural areas, composed of law enforcement officials representing units of local government, that works with Federal law enforcement officials to prevent and control crime.

(J) Establishing or supporting programs designed to collect, record, retain, and disseminate information useful in the identification, prosecution, and sentencing of offenders, such as criminal history information, fingerprints, DNA tests, and ballistics tests.

(3) DEFINITIONS.—In this subsection—

(A) the term ''violent offender'' means a person charged with committing a part I violent crime; and

(B) the term ''drug courts'' means a program that involves—

(i) continuing judicial supervision over offenders with substance abuse problems who are not violent offenders; and

(ii) the integrated administration of other sanctions and services, which shall include—

(I) mandatory periodic testing for the use of controlled substances or other addictive substances during any period of supervised release or probation for each participant;

(II) substance abuse treatment for each participant;

(III) probation, or other supervised release involving the possibility of prosecution, confinement, or incarceration based on noncompliance with program requirements or failure to show satisfactory progress; and

(IV) programmatic, offender management, and aftercare services such as relapse prevention, vocational job training, job placement, and housing placement.

(b) PROHIBITED USES.—Notwithstanding any other provision of this Act, a unit of local government may not expend any of the funds provided under this Act to purchase, lease, rent, or otherwise acquire—

(1) tanks or armored personnel carriers;

(2) fixed wing aircraft;

(3) limousines;

(4) real estate;

(5) yachts;

(6) consultants; or

(7) vehicles not primarily used for law enforcement;

unless the Attorney General certifies that extraordinary and exigent circumstances exist that make the use of funds for such purposes essential to the maintenance of public safety and good order in such unit of local government. With regard to paragraph (2), such circumstances shall be deemed to exist with respect to a unit of local government in a rural State, as defined in section 1501 of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3796bb), upon certification by the chief law enforcement officer of the unit of local government that the unit of local government is experiencing an increase in production or cultivation of a controlled substance or listed chemical (as defined in section 102 of the Controlled Substances Act), and that the fixed wing aircraft will be used in the detection, disruption, or abatement of such production or cultivation.

(c) TIMING OF PAYMENTS.—The Director shall pay each unit of local government that has submitted an application under this Act not later than the later of—

(1) 90 days after the date that the amount is available; or

(2) the first day of the payment period if the unit of local government has provided the Director with the assurances required by section 804(c).

(d) ADJUSTMENTS.—

(1) IN GENERAL.—Subject to paragraph (2), the Director shall adjust a payment under this Act to a unit of local government to the extent that a prior payment to the unit of local government was more or less than the amount required to be paid.

(2) CONSIDERATIONS.—The Director may increase or decrease under this subsection a payment to a unit of local government only if the Director determines the need for the increase or decrease, or if the unit requests the increase or decrease, not later than 1 year after the end of the payment period for which a payment was made.

(e) RESERVATION FOR ADJUSTMENT.—The Director may reserve a percentage of not more than 2 percent of the amount under this section for a payment period for all units of local government in a State if the Director considers the reserve is necessary to ensure the availability of sufficient amounts to pay adjustments after the final allocation of amounts among the units of local government in the State.

(f) REPAYMENT OF UNEXPENDED AMOUNTS.—

(1) REPAYMENT REQUIRED.—A unit of local government shall repay to the Director, by not later than 27 months after receipt of funds from the Director, any amount that is—

(A) paid to the unit from amounts appropriated under the authority of this section; and

(B) not expended by the unit within 2 years after receipt of such funds from the Director.

(2) PENALTY FOR FAILURE TO REPAY.—If the amount required to be repaid is not repaid, the Director shall reduce payment in future payment periods accordingly.

(3) DEPOSIT OF AMOUNTS REPAID.—Amounts received by the Director as repayments under this subsection shall be deposited in a designated fund for future payments to units of local government. Any amounts remaining in such designated fund after 5 years following the date of enactment of this Act shall be applied to the Federal deficit or, if there is no Federal deficit, to reducing the Federal debt.

(g) NONSUPPLANTING REQUIREMENT.—Funds made available under this Act to units of local government shall not be used to supplant State or local funds, but shall be used to increase the amount of funds that would, in the absence of funds made available under this Act, be made available from State or local sources.

(h) MATCHING FUNDS.—The Federal share of a grant received under this Act may not exceed 90 percent of the costs of a program or proposal funded under this Act. No funds provided under this Act may be used as matching funds for any other Federal grant program.

SEC. 803. AUTHORIZATION OF APPROPRIATIONS. (a) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this Act $750,000,000 for each of fiscal years 1998 through 2003.

(b) OVERSIGHT ACCOUNTABILITY AND ADMINISTRATION.—Not more than 3 percent of the amount authorized to be appropriated under subsection (a) for each of the fiscal years 1998 through 2003 shall be available to the Attorney General for studying the overall effectiveness and efficiency of the provisions of this Act, and assuring compliance with the provisions of this Act and for administrative costs to carry out the purposes of this Act. From the amount described in the preceding sentence, the Bureau of Justice Assistance shall receive such sums as may be necessary for the actual costs of administration and monitoring. The Attorney General shall establish and execute an oversight plan for monitoring the activities of grant recipients. Such sums are to remain available until expended.

(c) FUNDING SOURCE.—Appropriations for activities authorized in this Act may be made from the Violent Crime Reduction Trust Fund.

(d) TECHNOLOGY ASSISTANCE.—Of the amount appropriated under subsection (a) for each of fiscal years 1998 through 2003, the Attorney General shall reserve—

(1) 3 percent for use by the Bureau of Justice Statistics for information and identification technology, including the Integrated Automated Fingerprint Identification System (IAFIS), DNA, and ballistics systems; and

(2) 3 percent for use by the National Institute of Justice in assisting units of local government to identify, select, develop, modernize, and purchase new technologies for use by law enforcement.

(e) AVAILABILITY.—The amounts appropriated under subsection (a) shall remain available until expended.

SEC. 804. QUALIFICATION FOR PAYMENT. (a) IN GENERAL.—The Director shall issue regulations establishing procedures under which a unit of local government is required to provide notice to the Director regarding the proposed use of funds made available under this Act.

(b) PROGRAM REVIEW.—The Director shall establish a process for the ongoing evaluation of projects developed with funds made available under this Act.

(c) GENERAL REQUIREMENTS FOR QUALIFICATION.—A unit of local government qualifies for a payment under this Act for a payment period only if the unit of local government submits an application to the Director and establishes, to the satisfaction of the Director, that—

(1) the unit of local government has established a local advisory board that—

(A) includes, but is not limited to, a representative from—

(i) the local police department or local sheriff's department;

(ii) the local prosecutor's office;

(iii) the local court system;

(iv) the local public school system; and

(v) a local nonprofit, educational, religious, or community group active in crime prevention or drug use prevention or treatment;

(B) has reviewed the application; and

(C) is designated to make nonbinding recommendations to the unit of local government for the use of funds received under this Act;

(2) the chief executive officer of the State has had not less than 20 days to review and comment on the application prior to submission to the Director;

(3)(A) the unit of local government will establish a trust fund in which the government will deposit all payments received under this Act; and

(B) the unit of local government will use amounts in the trust fund (including interest) during a period not to exceed 2 years from the date the first grant payment is made to the unit of local government;

(4) the unit of local government will expend the payments received in accordance with the laws and procedures that are applicable to the expenditure of revenues of the unit of local government;

(5) the unit of local government will use accounting, audit, and fiscal procedures that conform to guidelines, which shall be prescribed by the Director after consultation with the Comptroller General of the United States and as applicable, amounts received under this Act shall be audited in compliance with the Single Audit Act of 1984;

(6) after reasonable notice from the Director or the Comptroller General of the United States to the unit of local government, the unit of local government will make available to the Director and the Comptroller General of the United States, with the right to inspect, records that the Director reasonably requires to review compliance with this Act or that the Comptroller General of the United States reasonably requires to review compliance and operation;

(7) a designated official of the unit of local government shall make reports the Director reasonably requires, in addition to the annual reports required under this Act;

(8) the unit of local government will spend the funds made available under this Act only for the purposes set forth in section 802(a)(2);

(9) the unit of local government will achieve a net gain in the number of law enforcement officers who perform nonadministrative public safety service if such unit uses funds received under this Act to increase the number of law enforcement officers as described under section 802(a)(2)(A);

(10) the unit of local government—

(A) has an adequate process to assess the impact of any enhancement of a school security measure that is undertaken under section 802(a)(2)(B), or any crime prevention programs that are established under subparagraphs (C) and (E) of section 802(a)(2), on the incidence of crime in the geographic area where the enhancement is undertaken or the program is established;

(B) will conduct such an assessment with respect to each such enhancement or program; and

(C) will submit an annual written assessment report to the Director; and

(11) the unit of local government has established procedures to give members of the Armed Forces who, on or after October 1, 1990, were or are selected for involuntary separation (as described in section 1141 of title 10, United States Code), approved for separation under section 1174a or 1175 of such title, or retired pursuant to the authority provided under section 4403 of the Defense Conversion, Reinvestment, and Transition Assistance Act of 1992 (division D of Public Law 102–484; 10 U.S.C. 1293 note), a suitable preference in the employment of persons as additional law enforcement officers or support personnel using funds made available under this Act. The nature and extent of such employment preference shall be jointly established by the Attorney General and the Secretary of Defense. To the extent practicable, the Director shall endeavor to inform members who were separated between October 1, 1990, and the date of enactment of this Act of their eligibility for the employment preference.

(d) SANCTIONS FOR NONCOMPLIANCE.—

(1) IN GENERAL.—If the Director determines that a unit of local government has not complied substantially with the requirements or regulations prescribed under subsections (a) and (c), the Director shall notify the unit of local government that if the unit of local government does not take corrective action within 60 days of such notice, the Director will withhold additional payments to the unit of local government for the current and future payment periods until the Director is satisfied that the unit of local government—

(A) has taken the appropriate corrective action; and

(B) will comply with the requirements and regulations prescribed under subsections (a) and (c).

(2) NOTICE.—Before giving notice under paragraph (1), the Director shall give the chief executive officer of the unit of local government reasonable notice and an opportunity for comment.

(e) MAINTENANCE OF EFFORT REQUIREMENT.—A unit of local government qualifies for a payment under this Act for a payment period only if the unit's expenditures on law enforcement services (as reported by the Bureau of the Census) for the fiscal year preceding the fiscal year in which the payment period occurs were not less than 90 percent of the unit's expenditures on such services for the second fiscal year preceding the fiscal year in which the payment period occurs.

SEC. 805. ALLOCATION AND DISTRIBUTION OF FUNDS. (a) STATE SET-ASIDE.—

(1) IN GENERAL.—Of the total amounts appropriated for this Act for each payment period, the Director shall allocate for units of local government in each State an amount that bears the same ratio to such total as the average annual number of part 1 violent crimes reported by such State to the Federal Bureau of Investigation for the 3 most recent calendar years for which such data is available, bears to the number of part 1 violent crimes reported by all States to the Federal Bureau of Investigation for such years.

(2) MINIMUM REQUIREMENT.—Each State shall receive not less than 0.5 percent of the total amounts appropriated under section 803 under this subsection for each payment period.

(3) PROPORTIONAL REDUCTION.—If amounts available to carry out paragraph (2) for any payment period are insufficient to pay in full the total payment that any State is otherwise eligible to receive under paragraph (1) for such period, then the Director shall reduce payments under paragraph (1) for such payment period to the extent of such insufficiency. Reductions under the preceding sentence shall be allocated among the States (other than States whose payment is determined under paragraph (2)) in the same proportions as amounts would be allocated under paragraph (1) without regard to paragraph (2).

(b) LOCAL DISTRIBUTION.—

(1) IN GENERAL.—From the amount reserved for each State under subsection (a), the Director shall allocate among units of local government an amount that bears the same ratio to the aggregate amount of such funds as

(A) the product of—

(i) two-thirds; multiplied by

(ii) the ratio of the average annual number of part 1 violent crimes in such unit of local government for the 3 most recent calendar years for which such data is available, to the sum of such violent crime in all units of local government in the State; and

(B) the product of—

(i) one-third; multiplied by

(ii) the ratio of the law enforcement expenditure, for such unit of local government for the most recent year for which such data are available, to such expenditures for all units of local government in the State.

(2) EXPENDITURES.—The allocation any unit of local government shall receive under paragraph (1) for a payment period shall not exceed 100 percent of law enforcement expenditures of the unit for such payment period.

(3) REALLOCATION.—The amount of any unit of local government's allocation that is not available to such unit by operation of paragraph (2) shall be available to other units of local government that are not affected by such operation in accordance with this subsection.

(4) LOCAL GOVERNMENTS WITH ALLOCATIONS OF LESS THAN $10,000.—If under paragraph (1) a unit of local government is allotted less than $10,000 for the payment period, the amount allotted shall be transferred to the chief executive officer of the State who shall distribute such funds among State police departments that provide law enforcement services to units of local government and units of local government whose allotment is less than such amount in a manner that reduces crime and improves public safety.

(5) SPECIAL RULE.—If a unit of local government in the State has been annexed since the date of the collection of the data used by the Director in making allocations pursuant to this section, the Director shall pay the amount that would have been allocated to such unit of local government to the unit of local government that annexed it.

(c) GRANTS TO INDIAN TRIBES.—Notwithstanding subsections (a) and (b), of the amount appropriated under section 803(a) in each of fiscal years 1998 through 2003, the Attorney General shall reserve 0.3 percent for grants to Indian tribal governments performing law enforcement functions, to be used for the purposes described in section 802. To be eligible to receive a grant with amounts set aside under this subsection, an Indian tribal government shall submit to the Attorney General an application in such form and containing such information as the Attorney General may by regulation require.

(d) UNAVAILABILITY AND INACCURACY OF INFORMATION.—

(1) DATA FOR STATES.—For purposes of this section, if data regarding part 1 violent crimes in any State for the 3 most recent calendar years is unavailable, insufficient, or substantially inaccurate, the Director shall utilize the best available comparable data regarding the number of violent crimes for such years for such State for the purposes of allocation of any funds under this Act.

(2) POSSIBLE INACCURACY OF DATA FOR UNITS OF LOCAL GOVERNMENT.—In addition to the provisions of paragraph (1), if the Director believes that the reported rate of part 1 violent crimes or legal expenditure information for a unit of local government is insufficient or inaccurate, the Director shall—

(A) investigate the methodology used by such unit to determine the accuracy of the submitted data; and

(B) when necessary, use the best available comparable data regarding the number of violent crimes or legal expenditure information for such years for such unit of local government.

SEC. 806. UTILIZATION OF PRIVATE SECTOR. Funds or a portion of funds allocated under this Act may be utilized to contract with private, nonprofit entities or community-based organizations to carry out the purposes specified under section 802(a)(2).

SEC. 807. PUBLIC PARTICIPATION. (a) IN GENERAL.—A unit of local government expending payments under this Act shall hold not less than 1 public hearing on the proposed use of the payment from the Director in relation to its entire budget.

(b) VIEWS.—At the hearing, persons shall be given an opportunity to provide written and oral views to the unit of local government authority responsible for enacting the budget.

(c) TIME AND PLACE.—The unit of local government shall hold the hearing at a time and place that allows and encourages public attendance and participation.

SEC. 808. ADMINISTRATIVE PROVISIONS. The administrative provisions of part H of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3782 et seq.), shall apply to this Act and for purposes of this section any reference in such provisions to title I of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3711 et seq.) shall be deemed to be a reference to this Act.

TITLE IX—NATIONAL WHALE CONSERVATION FUND ACT

SEC. 901. SHORT TITLE. This title may be cited as the ''National Whale Conservation Fund Act of 1998''.

SEC. 902. FINDINGS. Congress finds that—

(1) the populations of whales that occur in waters of the United States are resources of substantial ecological, scientific, socio-economic, and esthetic value;

(2) whale populations—

(A) form a significant component of marine ecosystems;

(B) are the subject of intense research;

(C) provide for a multimillion dollar whale watching tourist industry that provides the public an opportunity to enjoy and learn about great whales and the ecosystems of which the whales are a part; and

(D) are of importance to Native Americans for cultural and subsistence purposes;

(3) whale populations are in various stages of recovery, and some whale populations, such as the northern right whale (Eubaleana glacialis) remain perilously close to extinction;

(4) the interactions that occur between ship traffic, commercial fishing, whale watching vessels, and other recreational vessels and whale populations may affect whale populations adversely;

(5) the exploration and development of oil, gas, and hard mineral resources, marine debris, chemical pollutants, noise, and other anthropogenic sources of change in the habitat of whales may affect whale populations adversely;

(6) the conservation of whale populations is subject to difficult challenges related to—

(A) the migration of whale populations across international boundaries;

(B) the size of individual whales, as that size precludes certain conservation research procedures that may be used for other animal species, such as captive research and breeding;

(C) the low reproductive rates of whales that require long-term conservation programs to ensure recovery of whale populations; and

(D) the occurrence of whale populations in offshore waters where undertaking research, monitoring, and conservation measures is difficult and costly;

(7)(A) the Secretary of Commerce, through the Administrator of the National Oceanic and Atmospheric Administration, has research and regulatory responsibility for the conservation of whales under the Marine Mammal Protection Act of 1972 (16 U.S.C. 1361 et seq.); and

(B) the heads of other Federal agencies and the Marine Mammal Commission established under section 201 of the Marine Mammal Protection Act of 1972 (16 U.S.C. 1401) have related research and management activities under the Marine Mammal Protection Act of 1972 or the Endangered Species Act of 1973 (16 U.S.C. 1531 et seq.);

(8) the funding available for the activities described in paragraph (8) is insufficient to support all necessary whale conservation and recovery activities; and

(9) there is a need to facilitate the use of funds from non-Federal sources to carry out the conservation of whales.

SEC. 903. NATIONAL WHALE CONSERVATION FUND. Section 4 of the National Fish and Wildlife Establishment Act (16 U.S.C. 3703) is amended by adding at the end the following:

''(f)(1) In carrying out the purposes under section 2(b), the Foundation may establish a national whale conservation endowment fund, to be used by the Foundation to support research, management activities, or educational programs that contribute to the protection, conservation, or recovery of whale populations in waters of the United States.

''(2)(A) In a manner consistent with subsection (c)(1), the Foundation may—

''(i) accept, receive, solicit, hold, administer, and use any gift, devise, or bequest made to the Foundation for the express purpose of supporting whale conservation; and

''(ii) deposit in the endowment fund under paragraph (1) any funds made available to the Foundation under this subparagraph, including any income or interest earned from a gift, devise, or bequest received by the Foundation under this subparagraph.

''(B) To raise funds to be deposited in the endowment fund under paragraph (1), the Foundation may enter into appropriate arrangements to provide for the design, copyright, production, marketing, or licensing, of logos, seals, decals, stamps, or any other item that the Foundation determines to be appropriate.

''(C)(i) The Secretary of Commerce may transfer to the Foundation for deposit in the endowment fund under paragraph (1)—

''(I) any amount (or portion thereof) received by the Secretary under section 105(a)(1) of the Marine Mammal Protection Act of 1972 (16 U.S.C. 1375(a)(1)) as a civil penalty assessed by the Secretary under that section; or

''(II) any amount (or portion thereof) received by the Secretary as a settlement or award for damages in a civil action or other legal proceeding relating to damage of natural resources.

''(ii) The Directors of the Board shall ensure that any amounts transferred to the Foundation under clause (i) for the endowment fund under paragraph (1) are deposited in that fund in accordance with this subparagraph.

''(3) It is the intent of Congress that in making expenditures from the endowment fund under paragraph (1) to carry out activities specified in that paragraph, the Foundation should give priority to funding projects that address the conservation of populations of whales that the Foundation determines—

''(A) are the most endangered (including the northern right whale (Eubaleana glacialis)); or

''(B) most warrant, and are most likely to benefit from, research managment, or educational activities that may be funded with amounts made available from the fund.

''(g) In carrying out any action on the part of the Foundation under subsection (f), the Directors of the Board shall consult with the Administrator of the National Oceanic and Atmospheric Administration and the Marine Mammal Commission.''.

TITLE X—VAWA RESTORATION ACT

SEC. 1001. SHORT TITLE. This title may be cited as the ''VAWA Restoration Act''.

SEC. 1002. REMOVING BARRIERS TO ADJUSTMENT OF STATUS FOR VICTIMS OF DOMESTIC VIOLENCE. (a) IN GENERAL.—Section 245 of the Immigration and Nationality Act (8 U.S.C. 1255) is amended—

(1) in subsection (a), by inserting ''of an alien who qualifies for classification under subparagraph (A)(iii), (A)(iv), (B)(ii), or (B)(iii) of section 204(a)(1) or'' after ''The status'';

(2) in subsection (a), by adding at the end the following: ''An alien who qualifies for classification under subparagraph (A)(iii), (A)(iv), (B)(ii), or (B)(iii) of section 204(a)(1) who files for adjustment of status under this subsection shall pay a $1,000 fee, subject to the provisions of section 245(k).'';

(3) in subsection (c)(2), by striking ''201(b) or a special'' and inserting ''201(b), an alien who qualifies for classification under subparagraph (A)(iii), (A)(iv), (B)(ii), or (B)(iii) of section 204(a)(1), or a special'';

(4) in subsection (c)(4), by striking ''201(b))'' and inserting ''201(b) or an alien who qualifies for classification under subparagraph (A)(iii), (A)(iv), (B)(ii), or (B)(iii) of section 204(a)(1))'';

(5) in subsection (c)(5), by inserting ''(other than an alien who qualifies for classification under subparagraph (A)(iii), (A)(iv), (B)(ii), or (B)(iii) of section 204(a)(1))'' after ''an alien''; and

(6) in subsection (c)(8), by inserting ''(other than an alien who qualifies for classification

under subparagraph (A)(iii), (A)(iv), (B)(ii), or (B)(iii) of section 204(a)(1)'' after ''any alien''.

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply to applications for adjustment of status pending on or after the date of the enactment of this title.

SEC. 1003. REMOVING BARRIERS TO CANCELLATION OF REMOVAL AND SUSPENSION OF DEPORTATION FOR VICTIMS OF DOMESTIC VIOLENCE. (a) IN GENERAL.—

(1) SPECIAL RULE FOR CALCULATING CONTINUOUS PERIOD FOR BATTERED SPOUSE OR CHILD.—Paragraph (1) of section 240A(d) of the Immigration and Nationality Act (8 U.S.C. 1229b(d)(1)) is amended to read as follows:

''(1) TERMINATION OF CONTINUOUS PERIOD.—

''(A) IN GENERAL.—Except as provided in subparagraph (B), for purposes of this section, any period of continuous residence or continuous physical presence in the United States shall be deemed to end when the alien is served a notice to appear under section 239(a) or when the alien has committed an offense referred to in section 212(a)(2) that renders the alien inadmissible to the United States under section 212(a)(2) or removable from the United States under section 237(a)(2) or 237(a)(4), whichever is earliest.

''(B) SPECIAL RULE FOR BATTERED SPOUSE OR CHILD.—For purposes of subsection (b)(2), the service of a notice to appear referred to in subparagraph (A) shall not be deemed to end any period of continuous physical presence in the United States.''.

(2) EXEMPTION FROM ANNUAL LIMITATION ON CANCELLATION OF REMOVAL FOR BATTERED SPOUSE OR CHILD.—Section 240A(e)(3) of the Immigration and Nationality Act (8 U.S.C. 1229b(e)(3)) is amended by adding at the end the following:

''(C) Aliens whose removal is canceled under subsection (b)(2).''.

(3) EFFECTIVE DATE.—The amendments made by paragraphs (1) and (2) shall take effect as if included in the enactment of section 304 of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 (Public Law 104–208; 110 Stat. 587).

(b) MODIFICATION OF CERTAIN TRANSITION RULES FOR BATTERED SPOUSE OR CHILD.—

(1) IN GENERAL.—Subparagraph (C) of section 309(c)(5) of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 (8 U.S.C. 1101 note) (as amended by section 203 of the Nicaraguan Adjustment and Central American Relief Act) is amended—

(A) by amending the subparagraph heading to read as follows:

''(C) SPECIAL RULE FOR CERTAIN ALIENS GRANTED TEMPORARY PROTECTION FROM DEPORTATION AND FOR BATTERED SPOUSES AND CHILDREN.—''; and

(B) in clause (i)—

(i) by striking ''or'' at the end of subclause (IV);

(ii) by striking the period at the end of subclause (V) and inserting ''; or''; and

(iii) by adding at the end the following:

''(VI) is an alien who was issued an order to show cause or was in deportation proceedings prior to April 1, 1997, and who applied for suspension of deportation under section 244(a)(3) of the Immigration and Nationality Act (as in effect before the date of the enactment of this Act).''.

(2) EFFECTIVE DATE.—The amendments made by paragraph (1) shall take effect as if included in the enactment of section 309 of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 (8 U.S.C. 1101 note).

SEC. 1004. ELIMINATING TIME LIMITATIONS ON MOTIONS TO REOPEN REMOVAL AND DEPORTATION PROCEEDINGS FOR VICTIMS OF DOMESTIC VIOLENCE. (a) REMOVAL PROCEEDINGS.—

(1) IN GENERAL.—Section 240(c)(6)(C) of the Immigration and Nationality Act (8 U.S.C. 1229a(c)(6)(C)) is amended by adding at the end the following:

''(iv) SPECIAL RULE FOR BATTERED SPOUSES AND CHILDREN.—There is no time limit on the filing of a motion to reopen, and the deadline specified in subsection (b)(5)(C) does not apply, if the basis of the motion is to apply for adjustment of status based on a petition filed under clause (iii) or (iv) of section 204(a)(1)(A), clause (ii) or (iii) of section 204(a)(1)(B), or section 240A(b)(2) and if the motion to reopen is accompanied by a cancellation of removal application to be filed with the Attorney General or by a copy of the self-petition that will be filed with the Immigration and Naturalization Service upon the granting of the motion to reopen.''.

(2) EFFECTIVE DATE.—The amendments made by paragraph (1) shall take effect as if included in the enactment of section 304 of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 (Public Law 104–208; 110 Stat. 587).

(b) DEPORTATION PROCEEDINGS.—

(1) IN GENERAL.—Notwithstanding any limitation imposed by law on motions to reopen deportation proceedings under the Immigration and Nationality Act (as in effect before the title III–A effective date in section 309 of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 (8 U.S.C. 1101 note)), there is no time limit on the filing of a motion to reopen such proceedings, and the deadline specified in section 242B(c)(3) of the Immigration and Nationality Act (as so in effect) does not apply, if the basis of the motion is to apply for relief under clause (iii) or (iv) of section 204(a)(1)(A) of the Immigration and Nationality Act, clause (ii) or (iii) of section 204(a)(1)(B) of such Act, or section 244(a)(3) of such Act (as so in effect) and if the motion to reopen is accompanied by a cancellation of removal application to be filed with the Attorney General or by a copy of the self-petition that will be filed with the Immigration and Naturalization Service upon the granting of the motion to reopen.

(2) APPLICABILITY.—Paragraph (1) shall apply to motions filed by aliens who—

(A) are, or were, in deportation proceedings under the Immigration and Nationality Act (as in effect before the title III–A effective date in section 309 of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 (8 U.S.C. 1101 note)); and

(B) have become eligible to apply for relief under clause (iii) or (iv) of section 204(a)(1)(A) of the Immigration and Nationality Act, clause (ii) or (iii) of section 204(a)(1)(B) of such Act, or section 244(a)(3) of such Act (as in effect before the title III–A effective date in section 309 of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 (8 U.S.C. 1101 note)) as a result of the amendments made by—

(i) subtitle G of title IV of the Violent Crime Control and Law Enforcement Act of 1994 (Public Law 103–322; 108 Stat. 1953 et seq.); or

(ii) section 1003 of this title.

TITLE XI—TEMPORARY AGRICULTURAL WORKERS

SEC. 1101. SHORT TITLE; TABLE OF CONTENTS. (a) SHORT TITLE.—This title may be cited as the ''Agricultural Job Opportunity Benefits and Security Act of 1998''.

(b) TABLE OF CONTENTS.—The table of contents of this title is as follows:

SEC. 1102. DEFINITIONS. In this title:

(1) ADVERSE EFFECT WAGE RATE.—The term ''adverse effect wage rate'' means the rate of pay for an agricultural occupation that is 5-percent above the prevailing rate of pay for that agricultural occupation in an area of intended employment, if the average hourly equivalent of the prevailing rate of pay for the occupation is less than the prior year's average hourly earnings of field and livestock workers for the State (or region that includes the State), as determined by the Secretary of Agriculture. No adverse effect wage rate shall be more than the prior year's average hourly earnings of field and livestock workers for the State (or region that includes the State), as determined by the Secretary of Agriculture.

(2) AGRICULTURAL EMPLOYMENT.—The term ''agricultural employment'' means any service or activity included within the provisions of section 3(f) of the Fair Labor Standards Act of 1938 (29 U.S.C. 203(f)) or section 3121(g) of the Internal Revenue Code of 1986 and the handling, planting, drying, packing, packaging, processing, freezing, or grading prior to delivery for storage of any agricultural or horticultural commodity in its unmanufactured state.

(3) ELIGIBLE.—The term ''eligible'' as used with respect to workers or individuals, means individuals authorized to be employed in the United States as provided for in section 274A(h)(3) of the Immigration and Nationality Act (8 U.S.C. 1188).

(4) EMPLOYER.—The term ''employer'' means any person or entity, including any independent contractor and any agricultural association, that employs workers.

(5) JOB OPPORTUNITY.—The term ''job opportunity'' means a specific period of employment for a worker in one or more specified agricultural activities.

(6) PREVAILING WAGE.—The term ''prevailing wage'' means with respect to an agricultural activity in an area of intended employment, the rate of wages that includes the 51st percentile of employees in that agricultural activity in the area of intended employment, expressed in terms of the prevailing method of pay for the agricultural activity in the area of intended employment.

(7) REGISTERED WORKER.—The term ''registered worker'' means an individual whose name appears in a registry.

(8) REGISTRY.—The term ''registry'' means an agricultural worker registry established under section 1103(a).

(9) SECRETARY.—The term ''Secretary'' means the Secretary of Labor.

(10) UNITED STATES WORKER.—The term ''United States worker'' means any worker, whether a United States citizen, a United States national, or an alien who is authorized to work in the job opportunity within the United States other than an alien admitted pursuant to section 101(a)(15)(H)(ii)(a) or 218 of the Immigration and Nationality Act, as in effect on the effective date of this title.

SEC. 1103. AGRICULTURAL WORKER REGISTRIES. (a) ESTABLISHMENT OF REGISTRIES.—

(1) IN GENERAL.—The Secretary of Labor shall establish and maintain a system of registries containing a current database of eligible United States workers who seek to perform temporary or seasonal agricultural work and the employment status of such workers—

(A) to ensure that eligible United States workers are informed about available agricultural job opportunities;

(B) to maximize the work period for eligible United States workers; and

(C) to provide timely referral of such workers to temporary and seasonal agricultural job opportunities in the United States.

(2) COVERAGE.—

(A) SINGLE STATE OR GROUP OF STATES.—Each registry established under paragraph (1) shall include the job opportunities in a single State, or a group of contiguous States that traditionally share a common pool of seasonal agricultural workers.

(B) REQUESTS FOR INCLUSION.—Each State requesting inclusion in a registry, or having any group of agricultural producers seeking to utilize the registry, shall be represented by a registry or by a registry of contiguous States.

(b) REGISTRATION.—

(1) IN GENERAL.—An eligible individual who seeks employment in temporary or seasonal agricultural work may apply to be included in the registry for the State or States in which the individual seeks employment. Such application shall include—

(A) the name and address of the individual;

(B) the period or periods of time (including beginning and ending dates) during which the individual will be available for temporary or seasonal agricultural work;

(C) the registry or registries on which the individual desires to be included;

(D) the specific qualifications and work experience possessed by the applicant;

(E) the type or types of temporary or seasonal agricultural work the applicant is willing to perform;

(F) such other information as the applicant wishes to be taken into account in referring the applicant to temporary or seasonal agricultural job opportunities; and

(G) such other information as may be required by the Secretary.

(2) VALIDATION OF EMPLOYMENT AUTHORIZATION.—No person may be included on any registry unless the Attorney General has certified to the Secretary of Labor that the person is authorized to be employed in the United States.

(3) WORKERS REFERRED TO JOB OPPORTUNITIES.—The name of each registered worker who is referred and accepts employment with an employer pursuant to section 1105 shall be classified as inactive on each registry on which the worker is included during the period of employment involved in the job to which the worker was referred, unless the worker reports to the Secretary that the worker is no longer employed and is available for referral to another job opportunity. A registered worker classified as inactive shall not be referred pursuant to section 1105.

(4) REMOVAL OF NAMES FROM A REGISTRY.—The Secretary shall remove from all registries the name of any registered worker who, on 3 separate occasions within a 3-month period, is referred to a job opportunity pursuant to this section, and who declines such referral or fails to report to work in a timely manner.

(5) VOLUNTARY REMOVAL.—A registered worker may request that the worker's name be removed from a registry or from all registries.

(6) REMOVAL BY EXPIRATION.—The application of a registered worker shall expire, and the Secretary shall remove the name of such worker from all registries if the worker has not accepted a job opportunity pursuant to this section within the preceding 12-month period.

(7) REINSTATEMENT.—A worker whose name is removed from a registry pursuant to paragraph (4), (5), or (6) may apply to the Secretary for reinstatement to such registry at any time.

(c) CONFIDENTIALITY OF REGISTRIES.—The Secretary shall maintain the confidentiality of the registries established pursuant to this section, and the information in such registries shall not be used for any purposes other than those authorized in this title.

(d) ADVERTISING OF REGISTRIES.—The Secretary shall widely disseminate, through advertising and other means, the existence of the registries for the purpose of encouraging eligible United States workers seeking temporary or seasonal agricultural job opportunities to register.

SEC. 1104. EMPLOYER APPLICATIONS AND ASSURANCES. (a) APPLICATIONS TO THE SECRETARY.—

(1) IN GENERAL.—Not later than 21 days prior to the date on which an agricultural employer desires to employ a registered worker in a temporary or seasonal agricultural job opportunity, the employer shall apply to the Secretary for the referral of a United States worker through a search of the appropriate registry, in accordance with section 1105. Such application shall—

(A) describe the nature and location of the work to be performed;

(B) list the anticipated period (expected beginning and ending dates) for which workers will be needed;

(C) indicate the number of job opportunities in which the employer seeks to employ workers from the registry;

(D) describe the bona fide occupational qualifications that must be possessed by a worker to be employed in the job opportunity in question;

(E) describe the wages and other terms and conditions of employment the employer will offer, which shall not be less (and are not required to be more) than those required by this section;

(F) contain the assurances required by subsection (c); and

(G) specify the foreign country or region thereof from which alien workers should be admitted in the case of a failure to refer United States workers under this title.

(2) APPLICATIONS BY ASSOCIATIONS ON BEHALF OF EMPLOYER MEMBERS.—

(A) IN GENERAL.—An agricultural association may file an application under paragraph (1) for registered workers on behalf of its employer members.

(B) EMPLOYERS.—An application under subparagraph (A) shall cover those employer members of the association that the association certifies in its application have agreed in writing to comply with the requirements of this title.

(b) AMENDMENT OF APPLICATIONS.—Prior to receiving a referral of workers from a registry, an employer may amend an application under this subsection if the employer's need for workers changes. If an employer amends an application on a date which is later than 21 days prior to the date on which the workers on the amended application are sought to be employed, the Secretary may delay issuance of the report described in section 1105(b) by the number of days by which the filing of the amended application is later than 21 days before the date on which the employer desires to employ workers.

(c) ASSURANCES.—The assurances referred to in subsection (a)(1)(F) are the following:

(1) ASSURANCE THAT THE JOB OPPORTUNITY IS NOT A RESULT OF A LABOR DISPUTE.—The employer shall assure that the job opportunity for which the employer requests a registered worker is not vacant because a worker is involved in a strike, lockout, or work stoppage in the course of a labor dispute involving the job opportunity at the place of employment.

(2) ASSURANCE THAT THE JOB OPPORTUNITY IS TEMPORARY OR SEASONAL.—

(A) REQUIRED ASSURANCE.—The employer shall assure that the job opportunity for which the employer requests a registered worker is temporary or seasonal.

(B) SEASONAL BASIS.—For purposes of this title, labor is performed on a seasonal basis where, ordinarily, the employment pertains to or is of the kind exclusively performed at certain seasons or periods of the year and which, from its nature, may not be continuous or carried on throughout the year.

(C) TEMPORARY BASIS.—For purposes of this title, a worker is employed on a temporary basis where the employment is intended not to exceed 10 months.

(3) ASSURANCE OF PROVISION OF REQUIRED WAGES AND BENEFITS.—The employer shall assure that the employer will provide the wages and benefits required by subsections (a), (b), and (c) of section 1107 to all workers employed in job opportunities for which the employer has applied under subsection (a) and to all other workers in the same occupation at the place of employment.

(4) ASSURANCE OF EMPLOYMENT.—The employer shall assure that the employer will refuse to employ individuals referred under section 1105, or terminate individuals employed pursuant to this title, only for lawful job-related reasons, including lack of work.

(5) ASSURANCE OF COMPLIANCE WITH LABOR LAWS.—

(A) IN GENERAL.—An employer who requests registered workers shall assure that, except as otherwise provided in this title, the employer will comply with all applicable Federal, State, and local labor laws, including laws affecting migrant and seasonal agricultural workers, with respect to all United States workers and alien workers employed by the employer.

(B) LIMITATIONS.—The disclosure required under section 201(a) of the Migrant and Seasonal Agricultural Worker Protection Act (29 U.S.C. 1821(a)) may be made at any time prior to the time the alien is issued a visa permitting entry into the United States.

(6) ASSURANCE OF ADVERTISING OF THE REGISTRY.—The employer shall assure that the employer will, from the day an application for workers is submitted under subsection (a), and continuing throughout the period of employment of any job opportunity for which the employer has applied for a worker from the registry, post in a conspicuous place a poster to be provided by the Secretary advertising the availability of the registry.

(7) ASSURANCE OF CONTACTING FORMER WORKERS.—The employer shall assure that the employer has made reasonable efforts through the sending of a letter by United States Postal Service mail, or otherwise, to contact any eligible worker the employer employed during the previous season in the occupation at the place of intended employment for which the employer is applying for registered workers, and has made the availability of the employer's job opportunities in the occupation at the place of intended employment known to such previous worker, unless the worker was terminated from employment by the employer for a lawful job-related reason or abandoned the job before the worker completed the period of employment of the job opportunity for which the worker was hired.

(8) ASSURANCE OF PROVISION OF WORKERS COMPENSATION.—The employer shall assure that if the job opportunity is not covered by

the State workers' compensation law, that the employer will provide, at no cost to the worker, insurance covering injury and disease arising out of and in the course of the worker's employment which will provide benefits at least equal to those provided under the State workers' compensation law for comparable employment.

(d) WITHDRAWAL OF APPLICATIONS.—

(1) IN GENERAL.—An employer may withdraw an application under subsection (a), except that, if the employer is an agricultural association, the association may withdraw an application under subsection (a) with respect to one or more of its members. To withdraw an application, the employer shall notify the Secretary in writing, and the Secretary shall acknowledge in writing the receipt of such withdrawal notice. An employer who withdraws an application under subsection (a), or on whose behalf an application is withdrawn, is relieved of the obligations undertaken in the application.

(2) LIMITATION.—An application may not be withdrawn while any alien provided status under this title pursuant to such application is employed by the employer.

(3) OBLIGATIONS UNDER OTHER STATUTES.—Any obligation incurred by an employer under any other law or regulation as a result of recruitment of United States workers under an offer of terms and conditions of employment required as a result of making an application under subsection (a) is unaffected by withdrawal of such application.

(e) REVIEW OF APPLICATION.—

(1) IN GENERAL.—Promptly upon receipt of an application by an employer under subsection (a), the Secretary shall review the application for compliance with the requirements of such subsection.

(2) APPROVAL OF APPLICATIONS.—If the Secretary determines that an application meets the requirements of subsection (a), and the employer is not ineligible to apply under paragraph (2), (3), or (4) of section 1108(b), the Secretary shall, not later than 7 days after the receipt of such application, approve the application and so notify the employer.

(3) REJECTION OF APPLICATIONS.—If the Secretary determines that an application fails to meet 1 or more of the requirements of subsection (a), the Secretary, as expeditiously as possible, but in no case later than 7 days after the receipt of such application, shall—

(A) notify the employer of the rejection of the application and the reasons for such rejection, and provide the opportunity for the prompt resubmission of an amended application; and

(B) offer the applicant an opportunity to request an expedited administrative review or a de novo administrative hearing before an administrative law judge of the rejection of the application.

(4) REJECTION FOR PROGRAM VIOLATIONS.—The Secretary shall reject the application of an employer under this section if the employer has been determined to be ineligible to employ workers under section 1108(b) or subsection (b)(2) of section 218 of the Immigration and Nationality Act (8 U.S.C. 1188).

SEC. 1105. SEARCH OF REGISTRY. (a) SEARCH PROCESS AND REFERRAL TO THE EMPLOYER.—Upon the approval of an application under section 1104(e), the Secretary shall promptly begin a search of the registry of the State (or States) in which the work is to be performed to identify registered workers with the qualifications requested by the employer. The Secretary shall contact such qualified registered workers and determine, in each instance, whether the worker is ready, willing, and able to accept the employer's job opportunity and will commit to work for the employer at the time and place needed. The Secretary shall provide to each worker who commits to work for the employer the employer's name, address, telephone number, the location where the employer has requested that employees report for employment, and a statement disclosing the terms and conditions of employment.

(b) DEADLINE FOR COMPLETING SEARCH PROCESS; REFERRAL OF WORKERS.—As expeditiously as possible, but not later than 7 days before the date on which an employer desires work to begin, the Secretary shall complete the search under subsection (a) and shall transmit to the employer a report containing the name, address, and social security account number of each registered worker who has committed to work for the employer on the date needed, together with sufficient information to enable the employer to establish contact with the worker. The identification of such registered workers in a report shall constitute a referral of workers under this section.

(c) NOTICE OF INSUFFICIENT WORKERS.—If the report provided to the employer under subsection (b) does not include referral of a sufficient number of registered workers to fill all of the employer's job opportunities in the occupation for which the employer applied under section 1104(a), the Secretary shall indicate in the report the number of job opportunities for which registered workers could not be referred, and promptly transmit a copy of the report to the Attorney General and the Secretary of State, by electronic or other means ensuring next day delivery.

SEC. 1106. ISSUANCE OF VISAS AND ADMISSION OF ALIENS. (a) IN GENERAL.—

(1) NUMBER OF ADMISSIONS.—The Secretary of State shall promptly issue visas to, and the Attorney General shall admit, a sufficient number of eligible aliens designated by the employer to fill the job opportunities of the employer—

(A) upon receipt of a copy of the report described in section 1105(c);

(B) upon receipt of an application (or copy of an application under subsection (b));

(C) upon receipt of the report required by subsection (c)(1)(B); or

(D) upon receipt of a report under subsection (d).

(2) PROCEDURES.—The admission of aliens under paragraph (1) shall be subject to the procedures of section 218A of the Immigration and Nationality Act, as added by this title.

(3) AGRICULTURAL ASSOCIATIONS.—Aliens admitted pursuant to a report described in paragraph (1) may be employed by any member of the agricultural association that has made the certification required by section 1104(a)(2)(B). Independent contractors, agricultural associations, and such similar entities shall be subject to a cap on the number of H2–A visas that they may sponsor at the discretion of the Secretary of Labor.

(b) DIRECT APPLICATION UPON FAILURE TO ACT.—

(1) APPLICATION TO THE SECRETARY OF STATE.—If the employer has not received a referral of sufficient workers pursuant to section 1105(b) or a report of insufficient workers pursuant to section 1105(c), by the date that is 7 days before the date on which the work is anticipated to begin, the employer may submit an application for alien workers directly to the Secretary of State, with a copy of the application provided to the Attorney General, seeking the issuance of visas to and the admission of aliens for employment in the job opportunities for which the employer has not received referral of registered workers. Such an application shall include a copy of the employer's application under section 1104(a), together with evidence of its timely submission. The Secretary of State may consult with the Secretary of Labor in carrying out this paragraph.

(2) EXPEDITED CONSIDERATION BY SECRETARY OF STATE.—The Secretary of State shall, as expeditiously as possible, but not later than 5 days after the employer files an application under paragraph (1), issue visas to, and the Attorney General shall admit, a sufficient number of eligible aliens designated by the employer to fill the job opportunities for which the employer has applied under that paragraph.

(c) REDETERMINATION OF NEED.—

(1) REQUESTS FOR REDETERMINATION.—

(A) IN GENERAL.—An employer may file a request for a redetermination by the Secretary of the needs of the employer if—

(i) a worker referred from the registry is not at the place of employment on the date of need shown on the application, or the date the work for which the worker is needed has begun, whichever is later;

(ii) the worker is not ready, willing, able, or qualified to perform the work required; or

(iii) the worker abandons the employment or is terminated for a lawful job-related reason.

(B) ADDITIONAL AUTHORIZATION OF ADMISSIONS.—The Secretary shall expeditiously, but in no case later than 72 hours after a redetermination is requested under subparagraph (A), submit a report to the Secretary of State and the Attorney General providing notice of a need for workers under this subsection.

(2) JOB-RELATED REQUIREMENTS.—An employer shall not be required to initially employ a worker who fails to meet lawful job-related employment criteria, nor to continue the employment of a worker who fails to meet lawful, job-related standards of conduct and performance, including failure to meet minimum production standards after a 3-day break-in period.

(d) EMERGENCY APPLICATIONS.—Notwithstanding subsections (b) and (c), the Secretary may promptly transmit a report to the Attorney General and Secretary of State providing notice of a need for workers under this subsection for an employer—

(1) who has not employed aliens under this title in the occupation in question in the prior year's agricultural season;

(2) who faces an unforeseen need for workers (as determined by the Secretary); and

(3) with respect to whom the Secretary cannot refer able, willing, and qualified workers from the registry who will commit to be at the employer's place of employment and ready for work within 72 hours or on the date the work for which the worker is needed has begun, whichever is later.

(e) REGULATIONS.—The Secretary of State shall prescribe regulations to provide for the designation of aliens under this section.

SEC. 1107. EMPLOYMENT REQUIREMENTS. (a) REQUIRED WAGES.—

(1) IN GENERAL.—An employer applying under section 1104(a) for workers shall offer to pay, and shall pay, all workers in the occupation or occupations for which the employer has applied for workers from the registry, not less (and is not required to pay more) than the greater of the prevailing wage in the occupation in the area of intended employment or the adverse effect wage rate.

(2) PAYMENT OF PREVAILING WAGE DETERMINED BY A STATE EMPLOYMENT SECURITY AGENCY SUFFICIENT.—In complying with paragraph (1), an employer may request and obtain a prevailing wage determination from the State employment security agency. If the employer requests such a determination, and pays the wage required by paragraph (1) based upon such a determination, such payment shall be considered sufficient to meet the requirement of paragraph (1).

(3) RELIANCE ON WAGE SURVEY.—In lieu of the procedure of paragraph (2), an employer

may rely on other information, such as an employer-generated prevailing wage survey and determination that meets criteria specified by the Secretary.

(4) ALTERNATIVE METHODS OF PAYMENT PERMITTED.—

(A) IN GENERAL.—A prevailing wage may be expressed as an hourly wage, a piece rate, a task rate, or other incentive payment method, including a group rate. The requirement to pay at least the prevailing wage in the occupation and area of intended employment does not require an employer to pay by the method of pay in which the prevailing rate is expressed, except that, if the employer adopts a method of pay other than the prevailing rate, the burden of proof is on the employer to demonstrate that the employer's method of pay is designed to produce earnings equivalent to the earnings that would result from payment of the prevailing rate.

(B) COMPLIANCE WHEN PAYING AN INCENTIVE RATE.—In the case of an employer that pays a piece rate or task rate or uses any other incentive payment method, including a group rate, the employer shall be considered to be in compliance with any applicable hourly wage requirement if the average of the hourly earnings of the workers, taken as a group, the activity for which a piece rate, task rate, or other incentive payment, including a group rate, is paid, for the pay period, is at least equal to the required hourly wage.

(C) TASK RATE.—For purposes of this paragraph, the term ''task rate'' means an incentive payment method based on a unit of work performed such that the incentive rate varies with the level of effort required to perform individual units of work.

(D) GROUP RATE.—For purposes of this paragraph, the term ''group rate'' means an incentive payment method in which the payment is shared among a group of workers working together to perform the task.

(b) REQUIREMENT TO PROVIDE HOUSING.—

(1) IN GENERAL.—An employer applying under section 1104(a) for registered workers shall offer to provide housing at no cost (except for charges permitted by paragraph (5)) to all workers employed in job opportunities to which the employer has applied under that section, and to all other workers in the same occupation at the place of employment, whose permanent place of residence is beyond normal commuting distance.

(2) TYPE OF HOUSING.—In complying with paragraph (1), an employer may, at the employer's election, provide housing that meets applicable Federal standards for temporary labor camps or secure housing that meets applicable local standards for rental or public accommodation housing or other substantially similar class of habitation, or, in the absence of applicable local standards, State standards for rental or public accommodation housing or other substantially similar class of habitation.

(3) WORKERS ENGAGED IN THE RANGE PRODUCTION OF LIVESTOCK.—The Secretary shall issue regulations that address the specific requirements for the provision of housing to workers engaged in the range production of livestock.

(4) LIMITATION.—Nothing in this subsection shall be construed to require an employer to provide or secure housing for persons who were not entitled to such housing under the temporary labor certification regulations in effect on June 1, 1986.

(5) CHARGES FOR HOUSING.—

(A) UTILITIES AND MAINTENANCE.—An employer who provides housing to a worker pursuant to paragraph (1) may charge an amount equal to the fair market value (but not greater than the employer's actual cost) for maintenance and utilities, or such lesser amount as permitted by law.

(B) SECURITY DEPOSIT.—An employer who provides housing to workers pursuant to paragraph (1) may require, as a condition for providing such housing, a deposit not to exceed $50 from workers occupying such housing to protect against gross negligence or willful destruction of property.

(C) DAMAGES.—An employer who provides housing to workers pursuant to paragraph (1) may require a worker found to have been responsible for damage to such housing which is not the result of normal wear and tear related to habitation to reimburse the employer for the reasonable cost of repair of such damage.

(6) HOUSING ALLOWANCE AS ALTERNATIVE.—

(A) IN GENERAL.—In lieu of offering housing pursuant to paragraph (1), subject to subparagraphs (B) through (D), the employer may on a case-by-case basis provide a reasonable housing allowance. An employer who offers a housing allowance to a worker pursuant to this subparagraph shall not be deemed to be a housing provider under section 203 of the Migrant and Seasonal Agricultural Worker Protection Act (29 U.S.C. 1823) solely by virtue of providing such housing allowance.

(B) LIMITATION.—At any time after the date that is 3 years after the effective date of this title, the governor of the State may certify to the Secretary that there is not sufficient housing available in an area of intended employment of migrant farm workers or aliens provided status pursuant to this title who are seeking temporary housing while employed at farm work. Such certification may be canceled by the governor of the State at any time, and shall expire after 5 years unless renewed by the governor of the State.

(C) EFFECT OF CERTIFICATION.—If the governor of the State makes the certification of insufficient housing described in subparagraph (A) with respect to an area of employment, employers of workers in that area of employment may not offer the housing allowance described in subparagraph (A) after the date that is 5 years after such certification of insufficient housing for such area, unless the certification has expired or been canceled pursuant to subparagraph (B).

(D) AMOUNT OF ALLOWANCE.—The amount of a housing allowance under this paragraph shall be equal to the statewide average fair market rental for existing housing for nonmetropolitan counties for the State in which the employment occurs, as established by the Secretary of Housing and Urban Development pursuant to section 8(c) of the United States Housing Act of 1937 (42 U.S.C. 1437f(c)), based on a 2-bedroom dwelling unit and an assumption of 2 persons per bedroom.

(c) REIMBURSEMENT OF TRANSPORTATION.—

(1) TO PLACE OF EMPLOYMENT.—A worker who is referred to a job opportunity under section 1105(a), or an alien employed pursuant to this title, who completes 50 percent of the period of employment of the job opportunity for which the worker was hired, may apply to the employer for reimbursement of the cost of the worker's transportation and subsistence from the worker's permanent place of residence (or place of last employment, if the worker traveled from such place) to the place of employment to which the worker was referred under section 1105(a).

(2) FROM PLACE OF EMPLOYMENT.—A worker who is referred to a job opportunity under section 1105(a), or an alien employed pursuant to this title, who completes the period of employment for the job opportunity involved, may apply to the employer for reimbursement of the cost of the worker's transportation and subsistence from the place of employment to the worker's permanent place of residence.

(3) LIMITATION.—

(A) AMOUNT OF REIMBURSEMENT.—Except as provided in subparagraph (B), the amount of reimbursement provided under paragraph (1) or (2) to a worker or alien shall not exceed the lesser of—

(i) the actual cost to the worker or alien of the transportation and subsistence involved; or

(ii) the most economical and reasonable transportation and subsistence costs that would have been incurred had the worker or alien used an appropriate common carrier, as determined by the Secretary.

(B) DISTANCE TRAVELED.—No reimbursement under paragraph (1) or (2) shall be required if the distance traveled is 100 miles or less.

(d) CONTINUING OBLIGATION TO EMPLOY UNITED STATES WORKERS.—

(1) IN GENERAL.—An employer that applies for registered workers under section 1104(a) shall, as a condition for the approval of such application, continue to offer employment to qualified, eligible United States workers who are referred under section 1105(b) after the employer receives the report described in section 1105(b).

(2) LIMITATION.—An employer shall not be obligated to comply with paragraph (1)—

(A) after 50 percent of the anticipated period of employment shown on the employer's application under section 1104(a) has elapsed; or

(B) during any period in which the employer is employing no aliens in the occupation for which the United States worker was referred; or

(C) during any period when the Secretary is conducting a search of a registry for job opportunities in the occupation and area of intended employment to which the worker has been referred, or other occupations in the area of intended employment for which the worker is qualified that offer substantially similar terms and conditions of employment.

(3) LIMITATION ON REQUIREMENT TO PROVIDE HOUSING.—Notwithstanding any other provision of this title, an employer to whom a registered worker is referred pursuant to paragraph (1) may provide a reasonable housing allowance to such referred worker in lieu of providing housing if the employer does not have sufficient housing to accommodate the referred worker and all other workers for whom the employer is providing housing or has committed to provide housing.

(4) REFERRAL OF WORKERS DURING 50-PERCENT PERIOD.—The Secretary shall make all reasonable efforts to place a registered worker in an open job acceptable to the worker, including available jobs not listed on the registry, before referring such worker to an employer for a job opportunity already filled by, or committed to, an alien admitted pursuant to this title.

SEC. 1108. ENFORCEMENT AND PENALTIES. (a) ENFORCEMENT AUTHORITY.—

(1) INVESTIGATION OF COMPLAINTS.—

(A) IN GENERAL.—The Secretary shall establish a process for the receipt, investigation, and disposition of complaints respecting an employer's failure to meet a condition specified in section 1104 or an employer's misrepresentation of material facts in an application under that section. Complaints may be filed by any aggrieved person or any organization (including bargaining representatives). No investigation or hearing shall be conducted on a complaint concerning such a failure or misrepresentation unless the complaint was filed not later than 12 months after the date of the failure or misrepresentation, as the case may be. The Secretary shall conduct an investigation under

this paragraph if there is reasonable cause to believe that such a failure or misrepresentation has occurred.

(B) STATUTORY CONSTRUCTION.—Nothing in this title limits the authority of the Secretary of Labor to conduct any compliance investigation under any other labor law, including any law affecting migrant and seasonal agricultural workers or, in the absence of a complaint under this paragraph, under this title.

(2) WRITTEN NOTICE OF FINDING AND OPPORTUNITY FOR APPEAL.—After an investigation has been conducted, the Secretary shall issue a written determination as to whether or not any violation described in subsection (b) has been committed. The Secretary's determination shall be served on the complainant and the employer, and shall provide an opportunity for an appeal of the Secretary's decision to an administrative law judge, who may conduct a de novo hearing.

(b) REMEDIES.—

(1) BACK WAGES.—Upon a final determination that the employer has failed to pay wages as required under this section, the Secretary may assess payment of back wages due to any United States worker or alien described in section 101(a)(15)(H)(ii)(a) of the Immigration and Nationality Act employed by the employer in the specific employment in question. The back wages shall be equal to the difference between the amount that should have been paid and the amount that actually was paid to such worker.

(2) FAILURE TO PAY WAGES.—Upon a final determination that the employer has failed to pay the wages required under this title, the Secretary may assess a civil money penalty up to $1,000 for each failure, and may recommend to the Attorney General the disqualification of the employer from the employment of aliens described in section 101(a)(15)(H)(ii)(a) of the Immigration and Nationality Act for a period of time determined by the Secretary not to exceed 1 year.

(3) OTHER VIOLATIONS.—If the Secretary, as a result of an investigation pursuant to a complaint, determines that an employer covered by an application under section 1104(a) has—

(A) filed an application that misrepresents a material fact; or

(B) failed to meet a condition specified in section 1104,

the Secretary may assess a civil money penalty not to exceed $1,000 for each violation and may recommend to the Attorney General the disqualification of the employer for substantial violations in the employment of any United States workers or aliens described in section 101(a)(15)(ii)(a) of the Immigration and Nationality Act for a period of time determined by the Secretary not to exceed 1 year. In determining the amount of civil money penalty to be assessed or whether to recommend disqualification of the employer, the Secretary shall consider the seriousness of the violation, the good faith of the employer, the size of the business of the employer being charged, the history of previous violations by the employer, whether the employer obtained a financial gain from the violation, whether the violation was willful, and other relevant factors.

(4) PROGRAM DISQUALIFICATION.—

(A) 3 YEARS FOR SECOND VIOLATION.—Upon a second final determination that an employer has failed to pay the wages required under this title or committed other substantial violations under paragraph (3), the Secretary shall report such determination to the Attorney General and the Attorney General shall disqualify the employer from the employment of aliens described in section 101(a)(15)(H)(ii)(a) of the Immigration and Nationality Act for a period of 3 years.

(B) PERMANENT FOR THIRD VIOLATION.—Upon a third final determination that an employer has failed to pay the wages required under this section or committed other substantial violations under paragraph (3), the Secretary shall report such determination to the Attorney General, and the Attorney General shall disqualify the employer from any subsequent employment of aliens described in section 101(a)(15)(H)(ii)(a) of the Immigration and Nationality Act.

(c) ROLE OF ASSOCIATIONS.—

(1) VIOLATION BY A MEMBER OF AN ASSOCIATION.—An employer on whose behalf an application is filed by an association acting as its agent is fully responsible for such application, and for complying with the terms and conditions of this title, as though the employer had filed the application itself. If such an employer is determined to have violated a requirement of this section, the penalty for such violation shall be assessed against the employer who committed the violation and not against the association or other members of the association.

(2) VIOLATION BY AN ASSOCIATION ACTING AS AN EMPLOYER.—If an association filing an application on its own behalf as an employer is determined to have committed a violation under this subsection which results in disqualification from the program under subsection (b), no individual member of such association may be the beneficiary of the services of an alien described in section 101(a)(15)(H)(ii)(a) of the Immigration and Nationality Act in an occupation in which such alien was employed by the association during the period such disqualification is in effect, unless such member files an application as an individual employer or such application is filed on the employer's behalf by an association with which the employer has an agreement that the employer will comply with the requirements of this title.

SEC. 1109. ALTERNATIVE PROGRAM FOR THE ADMISSION OF TEMPORARY H–2A WORKERS. (a) AMENDMENTS TO THE IMMIGRATION AND NATIONALITY ACT.—

(1) ELECTION OF PROCEDURES.—Section 214(c)(1) of the Immigration and Nationality Act (8 U.S.C. 1184(c)(1)) is amended—

(A) by striking the fifth and sixth sentences;

(B) by striking ''(c)(1) The'' and inserting ''(c)(1)(A) Except as provided in subparagraph (B), the''; and

(C) by adding at the end the following new subparagraph:

''(B) Notwithstanding subparagraph (A), in the case of the importing of any nonimmigrant alien described in section 101(a)(15)(H)(ii)(a), the importing employer may elect to import the alien under the procedures of section 218 or section 218A, except that any employer that applies for registered workers under section 1104(a) of the Agricultural Job Opportunity Benefits and Security Act of 1998 shall import nonimmigrants described in section 101(a)(15)(H)(ii)(a) only in accordance with section 218A. For purposes of subparagraph (A), with respect to the importing of nonimmigrants under section 218, the term 'appropriate agencies of Government' means the Department of Labor and includes the Department of Agriculture.''.

(2) ALTERNATIVE PROGRAM.—The Immigration and Nationality Act is amended by inserting after section 218 (8 U.S.C. 1188) the following new section:

''ALTERNATIVE PROGRAM FOR THE ADMISSION OF TEMPORARY H–2A WORKERS

''SEC. 218A. (a) PROCEDURE FOR ADMISSION OR EXTENSION OF ALIENS.—

''(1) ALIENS WHO ARE OUTSIDE THE UNITED STATES.—

''(A) CRITERIA FOR ADMISSIBILITY.—

''(i) IN GENERAL.—An alien described in section 101(a)(15)(H)(ii)(a) of the Immigration and Nationality Act shall be admissible under this section if the alien is designated pursuant to section 1106 of the Agricultural Job Opportunity Benefits and Security Act of 1998, otherwise admissible under this Act, and the alien is not ineligible under clause (ii).

''(ii) DISQUALIFICATION.—An alien shall be ineligible for admission to the United States or being provided status under this section if the alien has, at any time during the past 5 years—

''(I) violated a material provision of this section, including the requirement to promptly depart the United States when the alien's authorized period of admission under this section has expired; or

''(II) otherwise violated a term or condition of admission to the United States as a nonimmigrant, including overstaying the period of authorized admission as such a nonimmigrant.

''(iii) INITIAL WAIVER OF INELIGIBILITY FOR UNLAWFUL PRESENCE.—An alien who has not previously been admitted to the United States pursuant to this section, and who is otherwise eligible for admission in accordance with clauses (i) and (ii), shall not be deemed inadmissible by virtue of section 212(a)(9)(B).

''(B) PERIOD OF ADMISSION.—The alien shall be admitted for the period requested by the employer not to exceed 10 months, or the ending date of the anticipated period of employment on the employer's application for registered workers, whichever is less, plus an additional period of 14 days, during which the alien shall seek authorized employment in the United States. During the 14-day period following the expiration of the alien's work authorization, the alien is not authorized to be employed unless an employer who is authorized to employ such worker has filed an extension of stay on behalf of the alien pursuant to paragraph (2).

''(C) ABANDONMENT OF EMPLOYMENT.—

''(i) IN GENERAL.—An alien admitted or provided status under this section who abandons the employment which was the basis for such admission or providing status shall be considered to have failed to maintain nonimmigrant status as an alien described in section 101(a)(15)(H)(ii)(a) and shall depart the United States or be subject to removal under section 237(a)(1)(C)(i).

''(ii) REPORT BY EMPLOYER.—The employer (or association acting as agent for the employer) shall notify the Attorney General within 7 days of an alien admitted or provided status under this Act pursuant to an application to the Secretary of Labor under section 1106 of the Agricultural Job Opportunity Benefits and Security Act of 1998 by the employer who prematurely abandons the alien's employment.

''(D) ISSUANCE OF IDENTIFICATION AND EMPLOYMENT ELIGIBILITY DOCUMENT.—

''(i) IN GENERAL.—The Attorney General shall cause to be issued to each alien admitted under this section a card in a form which is resistant to counterfeiting and tampering for the purpose of providing proof of identity and employment eligibility under section 274A.

''(ii) DESIGN OF CARD.—Each card issued pursuant to clause (i) shall be designed in such a manner and contain a photograph and other identifying information (such as date of birth, sex, and distinguishing marks) that would allow an employer to determine with reasonable certainty that the bearer is not claiming the identity of another individual, and shall—

''(I) specify the date of the alien's acquisition of status under this section;

''(II) specify the expiration date of the alien's work authorization; and

''(III) specify the alien's admission number or alien file number.

''(2) EXTENSION OF STAY OF ALIENS IN THE UNITED STATES.—

''(A) EXTENSION OF STAY.—If an employer with respect to whom a report or application described in section 1106(a)(1) of the Agricultural Job Opportunity Benefits and Security Act of 1998 has been submitted seeks to employ an alien who has acquired status under this section and who is present in the United States, the employer shall file with the Attorney General an application for an extension of the alien's stay or a change in the alien's authorized employment. The application shall be accompanied by a copy of the appropriate report or application described in section 1106 of the Agricultural Job Opportunity Benefits and Security Act of 1998.

''(B) LIMITATION ON FILING AN APPLICATION FOR EXTENSION OF STAY.—An application may not be filed for an extension of an alien's stay for a period of more than 10 months, or later than a date which is 3 years from the date of the alien's last admission to the United States under this section, whichever occurs first.

''(C) WORK AUTHORIZATION UPON FILING AN APPLICATION FOR EXTENSION OF STAY.—An employer may begin employing an alien who is present in the United States who has acquired status under this Act on the day the employer files an application for extension of stay. For the purpose of this requirement, the term 'filing' means sending the application by certified mail via the United States Postal Service, return receipt requested, or delivered by guaranteed commercial delivery which will provide the employer with a documented acknowledgment of the date of sending and receipt of the application. The employer shall provide a copy of the employer's application to the alien, who shall keep the application with the alien's identification and employment eligibility document as evidence that the application has been filed and that the alien is authorized to work in the United States. Upon approval of an application for an extension of stay or change in the alien's authorized employment, the Attorney General shall provide a new or updated employment eligibility document to the alien indicating the new validity date, after which the alien is not required to retain a copy of the application.

''(D) LIMITATION ON EMPLOYMENT AUTHORIZATION OF ALIENS WITHOUT VALID IDENTIFICATION AND EMPLOYMENT ELIGIBILITY CARD.—An expired identification and employment eligibility document, together with a copy of an application for extension of stay or change in the alien's authorized employment, shall constitute a valid work authorization document for a period of not more than 60 days from the date of application for the extension of stay, after which time only a currently valid identification and employment eligibility document shall be acceptable.

''(E) LIMITATION ON AN INDIVIDUAL'S STAY IN STATUS.—An alien having status under this section may not have the status extended for a continuous period longer than 3 years unless the alien remains outside the United States for an uninterrupted period of 6 months. An absence from the United States may break the continuity of the period for which a nonimmigrant visa issued under section 101(a)(15)(H)(ii)(a) is valid. If the alien has resided in the United States 10 months or less, an absence breaks the continuity of the period if its lasts for at least 2 months. If the alien has resided in the United States 10 months or more, an absence breaks the continuity of the period if it lasts for at least one-fifth the duration of the stay.

''(b) STUDY BY THE ATTORNEY GENERAL.—The Attorney General shall conduct a study to determine whether aliens under this section depart the United States in a timely manner upon the expiration of their period of authorized stay. If the Attorney General finds that a significant number of aliens do not so depart and that a financial inducement is necessary to assure such departure, then the Attorney General shall so report to Congress and make recommendations on appropriate courses of action.''.

(b) NO FAMILY MEMBERS PERMITTED.—Section 101(a)(15)(H) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(15)(H)) is amended by striking ''specified in this paragraph'' and inserting ''specified in this subparagraph (other than in clause (ii)(a))''.

(c) CONFORMING AMENDMENT.—The table of contents of the Immigration and Nationality Act is amended by inserting after the item relating to section 218 the following new item:

''Sec. 218A. Alternative program for the admission of H–2A workers.''.

(d) REPEAL AND ADDITIONAL CONFORMING AMENDMENTS.—

(1) REPEAL.—Section 218 of the Immigration and Nationality Act is repealed.

(2) TECHNICAL AMENDMENTS.—(A) Section 218A of the Immigration and Nationality Act is redesignated as section 218.

(B) The table of contents of that Act is amended by striking the item relating to section 218A.

(C) The section heading for section 218 of that Act is amended by striking ''ALTERNATIVE PROGRAM FOR''.

(3) TERMINATION OF EMPLOYER ELECTION.—Section 214(c)(1)(B) of the Immigration and Nationality Act is amended to read as follows:

''(B) Notwithstanding subparagraph (A), the procedures of section 218 shall apply to the importing of any nonimmigrant alien described in section 101(a)(15)(H)(ii)(a).''.

(4) MAINTENANCE OF CERTAIN SECTION 218 PROVISIONS.—Section 218 (as redesignated by paragraph (2) of this subsection) is amended by adding at the end the following:

''(d) MISCELLANEOUS PROVISIONS.—(1) The Attorney General shall provide for such endorsement of entry and exit documents of nonimmigrants described in section 101(a)(15)(H)(ii) as may be necessary to carry out this section and to provide notice for purposes of section 274A.

''(2) The provisions of subsections (a) and (c) of section 214 and the provisions of this section preempt any State or local law regulating admissibility of nonimmigrant workers.''.

(5) EFFECTIVE DATE.—The repeal and amendments made by this subsection shall take effect 5 years after the date of enactment of this title.

SEC. 1110. INCLUSION IN EMPLOYMENT-BASED IMMIGRATION PREFERENCE ALLOCATION. (a) AMENDMENT OF THE IMMIGRATION AND NATIONALITY ACT.—Section 203(b)(3)(A) of the Immigration and Nationality Act (8 U.S.C. 1153(b)(3)(A)) is amended—

(1) by redesignating clause (iii) as clause (iv); and

(2) by inserting after clause (ii) the following:

''(iii) AGRICULTURAL WORKERS.—Qualified immigrants who have completed at least 6 months of work in the United States in each of 4 consecutive calendar years under section 101(a)(15)(H)(ii)(a), and have complied with all terms and conditions applicable to that section.''.

(b) CONFORMING AMENDMENT.—Section 203(b)(3)(B) of the Immigration and Nationality Act (8 U.S.C. 1153(b)(3)(A)) is amended by striking ''subparagraph (A)(iii)'' and inserting ''subparagraph (A)(iv)''.

(c) EFFECTIVE DATE.—The amendments made by subsections (a) and (b) shall apply to aliens described in section 101(a)(15)(H)(ii)(a) admitted to the United States before, on, or after the effective date of this title.

SEC. 1111. MIGRANT AND SEASONAL HEAD START PROGRAM. (a) IN GENERAL.—Section 637(12) of the Head Start Act (42 U.S.C. 9832(12)) is amended—

(1) by inserting ''and seasonal'' after ''migrant''; and

(2) by inserting before the period the following: '', or families whose incomes or labor is primarily dedicated to performing seasonal agricultural labor for hire but whose places of residency have not changed to another geographic location in the preceding 2-year period''.

(b) FUNDS SET-ASIDE.—Section 640(a) (42 U.S.C. 9835(a)) is amended—

(1) in paragraph (2), strike ''13'' and insert ''14'';

(2) in paragraph (2)(A), by striking ''1994'' and inserting ''1998''; and

(3) by adding at the end the following new paragraph:

''(8) In determining the need for migrant and seasonal Head Start programs and services, the Secretary shall consult with the Secretary of Labor, other public and private entities, and providers. Notwithstanding paragraph (2)(A), after conducting such consultation, the Secretary shall further adjust the amount available for such programs and services, taking into consideration the need and demand for such services.''.

SEC. 1112. REGULATIONS. (a) REGULATIONS OF THE ATTORNEY GENERAL.—The Attorney General shall consult with the Secretary and the Secretary of Agriculture on all regulations to implement the duties of the Attorney General under this title.

(b) REGULATIONS OF THE SECRETARY OF STATE.—The Secretary of State shall consult with the Attorney General on all regulations to implement the duties of the Secretary of State under this title.

SEC. 1113. FUNDING. If additional funds are necessary to pay the start-up costs of the registries established under section 1103(a), such costs may be paid out of amounts available to Federal or State governmental entities under the Wagner-Peyser Act (29 U.S.C. 49 et seq.). Except as provided for by subsequent appropriation, additional expenses incurred for administration by the Attorney General, the Secretary of Labor, and the Secretary of State shall be paid for out of appropriations otherwise made available to their respective departments.

SEC. 1114. REPORT TO CONGRESS. Not later than 3 years after the date of enactment of this Act and 5 years after the date of enactment of this Act, the Attorney General and the Secretaries of Agriculture and Labor shall jointly prepare and transmit to Congress a report describing the results of a review of the implementation of and compliance with this title. The report shall address—

(1) whether the program has ensured an adequate and timely supply of qualified, eligible workers at the time and place needed by employers;

(2) whether the program has ensured that aliens admitted under this program are employed only in authorized employment, and that they timely depart the United States when their authorized stay ends;

(3) whether the program has ensured that participating employers comply with the requirements of the program with respect to the employment of United States workers and aliens admitted under this program;

(4) whether the program has ensured that aliens admitted under this program are not displacing eligible, qualified United States workers or diminishing the wages and other terms and conditions of employment of eligible United States workers;

(5) whether the housing provisions of this program ensure that adequate housing is available to workers employed under this program who are required to be provided housing or a housing allowance; and

(6) recommendations for improving the operation of the program for the benefit of participating employers, eligible United States workers, participating aliens, and governmental agencies involved in administering the program.

SEC. 1115. PRESIDENTIAL AUTHORITY. In implementing this title, the President of the United States shall not implement any provision that he deems to be in violation of any of the following principles—

(1) where the procedures for using the program are simple and the least burdensome for growers;

(2) which assures an adequate labor supply for growers in a predictable and timely manner;

(3) that provides a clear and meaningful first preference for United States farm workers and a means for mitigating against the development of a structural dependency on foreign workers in an area or crop;

(4) which avoids the transfer of costs and risks from businesses to low wage workers;

(5) that encourages longer periods of employment for legal United States workers;

(6) which assures decent wages and working conditions for domestic and foreign farm workers, and that normal market forces work to improve wages, benefits, and working conditions.

SEC. 1116. EFFECTIVE DATE. This title and the amendments made by this title shall take effect 180 days after the date of enactment of this title.

TITLE XII—NURSING RELIEF FOR DISADVANTAGED AREAS

SEC. 1201. SHORT TITLE. This title may be cited as the ''Nursing Relief for Disadvantaged Areas Act of 1998''.

SEC. 1202. REQUIREMENTS FOR ADMISSION OF NONIMMIGRANT NURSES IN HEALTH PROFESSIONAL SHORTAGE AREAS DURING 4-YEAR PERIOD.—

(a) ESTABLISHMENT OF A NEW NONIMMIGRANT CLASSIFICATION FOR NONIMMIGRANT NURSES IN HEALTH PROFESSIONAL SHORTAGE AREAS.—Section 101(a)(15)(H)(i) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(15)(H)(i)) is amended by striking ''; or'' at the end and inserting the following: '', or (c) who is coming temporarily to the United States to perform services as a registered nurse, who meets the qualifications described in section 212(m)(1), and with respect to whom the Secretary of Labor determines and certifies to the Attorney General that an unexpired attestation is on file and in effect under section 212(m)(2) for the facility (as defined in section 212(m)(6)) for which the alien will perform the services; or''.

(b) REQUIREMENTS.—Section 212(m) of the Immigration and Nationality Act (8 U.S.C. 1182(m)) is amended to read as follows:

''(m)(1) The qualifications referred to in section 101(a)(15)(H)(i)(c), with respect to alien who is coming to the United States to perform nursing services for a facility, are that the alien—

''(A) has obtained a full and unrestricted license to practice professional nursing in the country where the alien obtained nursing education or has received nursing education in the United States;

''(B) has passed an appropriate examination (recognized in regulations promulgated in consultation with the Secretary of Health and Human Services) or has a full and unrestricted license under State law to practice professional nursing in the State of intended employment; and

''(C) is fully qualified and eligible under the laws (including such temporary or interim licensing requirements which authorize the nurse to be employed) governing the place of intended employment to engage in the practice of professional nursing as a registered nurse immediately upon admission to the United States and is authorized under such laws to be employed by the facility.

''(2)(A) The attestation referred to in section 101(a)(15)(H)(i)(c), with respect to a facility for which an alien will perform services, is an attestation as to the following:

''(i) The facility meets all the requirements of paragraph (6).

''(ii) The employment of the alien will not adversely affect the wages and working conditions of registered nurses similarly employed.

''(iii) The alien employed by the facility will be paid the wage rate for registered nurses similarly employed by the facility.

''(iv) The facility has taken and is taking timely and significant steps designed to recruit and retain sufficient registered nurses who are United States citizens or immigrants who are authorized to perform nursing services, in order to remove as quickly as reasonably possible the dependence of the facility on nonimmigrant registered nurses.

''(v) There is not a strike or lockout in the course of a labor dispute, and the employment of such an alien is not intended or designed to influence an election for a bargaining representative for registered nurses of the facility.

''(vi) At the time of the filing of the petition for registered nurses under section 101(a)(15)(H)(i)(c), notice of the filing has been provided by the facility to the bargaining representative of the registered nurses at the facility or, where there is no such bargaining representative, notice of the filing has been provided to the registered nurses employed at the facility through posting in conspicuous locations.

''(vii) The facility will not, at any time, employ a number of aliens issued visas or otherwise provided nonimmigrant status under section 101(a)(15)(H)(i)(c) that exceeds 33 percent of the total number of registered nurses employed by the facility.

''(viii) The facility will not, with respect to any alien issued a visa or otherwise provided non-immigrant status under section 101(a)(15)(H)(i)(c)—

''(I) authorize the alien to perform nursing services at any worksite other than a worksite controlled by the facility; or

''(II) transfer the place of employment of the alien from one worksite to another.

Nothing in clause (iv) shall be construed as requiring a facility to have taken significant steps described in such clause before the date of the enactment of the Health Professional Shortage Area Nursing Relief Act of 1998. A copy of the attestation shall be provided, within 30 days of the date of filing, to registered nurses employed at the facility on the date of the filing.

''(B) For purposes of subparagraph (A)(iv), each of the following shall be considered a significant step reasonably designed to recruit and retain registered nurses:

''(i) Operating a training program for registered nurses at the facility or financing (or providing participation in) a training program for registered nurses elsewhere.

''(ii) Providing career development programs and other methods of facilitating health care workers to become registered nurses.

''(iii) Paying registered nurses wages at a rate higher than currently being paid to registered nurses similarly employed in the geographic area.

''(iv) Providing reasonable opportunities for meaningful salary advancement by registered nurses.

The steps described in this subparagraph shall not be considered to be an exclusive list of the significant steps that may be taken to meet the conditions of subparagraph (A)(iv). Subparagraph (A)(iv)'s requirement shall be satisfied by a facility taking any of the steps listed in this subparagraph.

''(C) Subject to subparagraph (E), an attestation under subparagraph (A)—

''(i) shall expire on the date that is the later of—

''(I) the end of the one-year period beginning of the date of its filing with the Secretary of Labor; or

''(II) the end of the period of admission under section 101(a)(15)(H)(i)(c) of the last alien with respect to whose admission it was applied (in accordance with clause (ii)); and

''(ii) shall apply to petitions filed during the one-year period beginning on the date of its filing with the Secretary of Labor if the facility states in each such petition that it continues to comply with the conditions in the attestation.

''(D) A facility may meet the requirements under this paragraph with respect to more than one registered nurse in a single petition.

''(E)(i) The Secretary of Labor shall compile and make available for public examination in a timely manner in Washington, D.C., a list identifying facilities which have filed petitions for nonimmigrants under section 101(a)(15)(H)(i)(c) and, for each such facility, a copy of the facility's attestation under subparagraph (A) (and accompanying documentation) and each such petition filed by the facility.

''(ii) The Secretary of Labor shall establish a process, including reasonable time limits, for the receipt, investigation, and disposition of complaints respecting a facility's failure to meet conditions attested to or a facility's misrepresentation of a material fact in an attestation. Complaints may be filed by any aggrieved person or organization (including bargaining representatives, associations deemed appropriate by the Secretary, and other aggrieved parties as determined under regulations of the Secretary). The Secretary shall conduct an investigation under this clause if there is reasonable cause to believe that a facility fails to meet conditions attested to. Subject to the time limits established under this clause, this subparagraph shall apply regardless of whether an attestation is expired or unexpired at the time a complaint is filed.

''(iii) Under such process, the Secretary shall provide, within 180 days after the date such a complaint is filed, for a determination as to whether or not a basis exists to make a finding described in clause (iv). If the Secretary determines that such a basis exists, the Secretary shall provide for notice of such determination to the interested parties and an opportunity for a hearing on the complaint within 60 days of the date of the determination.

''(iv) If the Secretary of Labor finds, after notice and opportunity for a hearing, that a facility (for which an attestation is made) has failed to meet a condition attested to or that there was a misrepresentation of material fact in the attestation, the Secretary shall notify the Attorney General of such finding and may, in addition, impose such an administrative remedies (including civil monetary penalties in an amount not to exceed $1,000 per nurse per violation, with the total penalty not to exceed $10,000 per violation) as the Secretary determines to be appropriate. Upon receipt of such notice, the Attorney General shall not approve petitions filed with respect to a facility during a period of at least one year for nurses to be employed by the facility.

''(v) In addition to the sanctions provided for under clause (iv), if the Secretary of

Labor finds, after notice and an opportunity for a hearing that, a facility has violated the condition attested to under subparagraph (A)(iii) (relating to payment of registered nurses at the prevailing wage rate), the Secretary shall order the facility to provide for payment of such amounts of back pay as may be required to comply with such condition.

''(F)(i) The Secretary of Labor shall impose on a facility filing an attestation under subparagraph (A) a filing fee, in an amount prescribed by the Secretary based on the costs of carrying out the Secretary's duties under this subsection, but not exceeding $250.

''(ii) Fees collected under this subparagraph shall be deposited in a fund established for this purpose in the Treasury of the United States.

''(iii) The collected fees in the fund shall be available to the Secretary of Labor, to the extent and in such amounts as may be provided in appropriations Acts, to cover the costs described in clause (i), in addition to any other funds that are available to the Secretary to cover such costs.

''(3) The period of admission of an alien under section 101(a)(15)(H)(i)(c) shall be 3 years.

''(4) The total number of nonimmigrant visas issued pursuant to petitions granted under section 101(a)(15)(H)(i)(c) in each fiscal year shall not exceed 500. The number of petitions granted under section 101(a)(15)(H)(i)(c) for each State in each fiscal year shall not exceed the following:

''(A) For States with populations of less than 9,000,000 based upon the 1990 decennial census of population, 25 petitions.

''(B) For States with populations of 9,000,000 or more, based upon the 1990 decennial census of population, 50 petitions.

''(C) If the total number of visas available under this paragraph for a calendar quarter exceeds the number of qualified nonimmigrants who may be issued such visas, the visas made available under this paragraph shall be issued without regard to the numerical limitations under subparagraphs (A) and (B) of this paragraph during the remainder of the calendar quarter.

''(5) A facility that has filed a petition under section 101(a)(15)(H)(I)(c) to employ a nonimmigrant to perform nursing services for the facility—

''(A) shall provide the nonimmigrant a wage rate and working conditions commensurate with those of nurses similarly employed by the facility;

''(B) shall require the nonimmigrant to work hours commensurate with those of nurses similarly employed by the facility; and

''(C) shall not interfere with the right of the nonimmigrant to join or organize a union.

''(6) For purposes of this subsection and section 101(a)(15)(H)(i)(c), the term 'facility' means a subsection (d) hospital (as defined in section 1886(d)(1)(B) of the Social Security Act (42 U.S.C. 1395ww(d)(1)(B))) that meets the following requirements:

''(A) As of March 31, 1997, the hospital was located in a health professional shortage area (as defined in section 332 of the Public Health Service Act (42 U.S.C. 254e)).

''(B) Based on its settled cost report filed under title XVIII of the Social Security Act for its costs reporting period beginning during fiscal year 1994—

''(i) the hospital has not less than 190 licensed acute care beds;

''(ii) the number of the hospital's inpatient days for such period which were made up of patients who (for such days) were entitled to benefits under part A of such title is not less than 35 percent of the total number of such hospital's acute care inpatient days for such period; and

''(iii) the number of the hospital's inpatient days for such period which were made up of patients who (for such days) were eligible for medical assistance under a State plan approved under title XIX of the Social Security Act, is not less than 28 percent of the total number of such hospital's acute care inpatient days for such period.''.

(c) REPEALER.—Clause (i) of section 101(a)(15)(H) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(15)(H)(i)) is amended by striking subclause (a).

(d) IMPLEMENTATION.—Not later than 90 days after the date of enactment of this Act, the Secretary of Labor (in consultation, to the extent required, with the Secretary of Health and Human Services) and the Attorney General shall promulgate final or interim final regulations to carry out section 212(m) of the Immigration and Nationality Act (as amended by subsection (b)).

(e) LIMITING APPLICATION OF NONIMMIGRANT CHANGES TO 4–YEAR PERIOD.—The amendments made by this section shall apply to classification petitions filed for nonimmigrant status only during the 4-year period beginning on the date that interim or final regulation are first promulgated under subsection (d).

SEC. 1203. RECOMMENDATIONS FOR ALTERNATIVE REMEDY FOR NURSING SHORTAGE. Not later than the last day of the 4-year period described in section 1202(e), the Secretary of Health and Human Services and the Secretary of Labor shall jointly submit to Congress recommendations (including legislative specifications) with respect to the following:

(1) A program to eliminate the dependence of facilities described in section 212(m)(6) of the Immigration and Nationality Act (as amended by section 1202(b)) on nonimmigrant registered nurses by providing for a permanent solution to the shortage of registered nurses who are United States citizens or aliens lawfully admitted for permanent residence.

(2) A method of enforcing the requirements imposed on facilities under sections 101(a)(15)(H)(i)(c) and 212(m) of the Immigration and Nationality Act (as amended by section 1202) that would be more effective than the process described in section 212(m)(2)(E) of such Act (as so amended).

This Act may be cited as the ''Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 1999''.

MODIFICATION TO AMENDMENT NO. 3258 OF S. 2260

Mr. CAMPBELL. Mr. President, during the consideration of S. 2260 and amendment No. 3258, language was inadvertently omitted.

I ask unanimous consent that in the engrossment of the bill the language that was omitted that is now at the desk be added at the appropriate place.

The PRESIDING OFFICER. Without objection, it is so ordered.

The modification is as follows:

At the end of Section 13, before the period, insert ''made available to their respective departments''.

EXPRESSING THE SENSE OF THE SENATE WITH RESPECT TO DEMOCRACY AND HUMAN RIGHTS IN THE LAO PEOPLE'S DEMOCRATIC REPUBLIC

Mr. CAMPBELL. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 429, S. Res. 240.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A resolution (S. Res. 240) expressing the sense of the Senate with respect to democracy and human rights in the Lao People's Democratic Republic.

There being no objection, the Senate proceeded to consider the resolution which had been reported from the Committee on Foreign Relations with amendments.

(The parts of the resolution intended to be stricken are shown in boldface brackets and the parts of the resolution intended to be inserted are shown in italic.)

S. RES. 240

Whereas in 1975, the Pathet Lao party supplanted the existing Lao government and the Lao Royal Family, and established a ''people's democratic republic'', in violation of the 1962 Declaration on the Neutrality of Laos and its Protocol, as well as the 1973 Vientiane Agreement on Laos;

Whereas since the 1975 overthrow of the existing Lao government, Laos has been under the sole control of the Lao People's Democratic Party;

Whereas the present Lao Constitution provides for human rights protection for the Lao people, and Laos is a signatory to international agreements on civil and political rights;

Whereas Laos has become a member of the Association of Southeast Asian Nations, which calls for the creation of open societies in each of its member states by the year 2020;

Whereas despite that, the State Department's ''Country Reports on Human Rights Practices for 1997'' notes that the government has only slowly eased restrictions on basic freedoms and begun codification of implementing legislation for rights stipulated in the Lao Constitution, and continues to significantly restrict the freedoms of speech, assembly, and religion; and

Whereas on January 30, 1998, the Lao government arrested and detained forty-four individuals at a Bible study meeting in Vientiane and on March 25 sentenced thirteen Christians from the group to prison terms of three to five years for ''creating divisions among the people, undermining the government, and accepting foreign funds to promote religion'': Now, therefore, be it

Resolved, That it is the sense of the Senate that the present government of Laos should—

(1) respect international norms of human rights and democratic freedoms for the Lao people, and fully honor its commitments to those norms and freedoms as embodied in its constitution and international agreements, and in the 1962 Declaration on the Neutrality of Laos and its Protocol and the 1973 Vientiane Agreement on Laos;

(2) issue a public statement specifically reaffirming its commitment to protecting religious freedom *and other basic human rights;* [and]

(3) fully institute a process of democracy, human rights, and openly-contested free and fair elections in Laos, and ensure specifically that the National Assembly elections—currently scheduled for 2002—are openly contested[.]*; and*

(4) allow access for international human rights monitors, including the International Committee of the Red Cross to Lao prisons, and to all regions of the country to investigate allegations of human rights abuses, including those against the Hmong people, when requested.

Mr. CAMPBELL. Mr. President, I ask unanimous consent that the committee amendments be agreed to, as amended, the preamble be agreed to, the motion to reconsider be laid upon the table, and any statements relating to the resolution appear at this point in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The committee amendments were agreed to.

The resolution, (S. Res. 240) as amended, was agreed to.

The preamble was agreed to.

EXPRESSING THE SENSE OF CONGRESS CONCERNING THE HUMAN RIGHTS AND HUMANITARIAN SITUATION FACING THE WOMEN AND GIRLS OF AFGHANISTAN

Mr. CAMPBELL. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 428, Senate Concurrent Resolution 97.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows.

A resolution (S. Con. Res. 97) expressing the sense of Congress concerning human rights and humanitarian situation facing women and girls of Afghanistan.

There being no objection, the Senate proceeded to consider the resolution, which had been reported from the Committee on Foreign Relations, with amendments.

Mr. CAMPBELL. Mr. President, I ask unanimous consent the committee amendment be agreed to, the concurrent resolution as amended and the preamble be agreed to en bloc, and the motion to reconsider be laid upon the table, and that any statements relating to the concurrent resolution be placed in the RECORD at the appropriate place as if read.

The PRESIDING OFFICER. Without objection, it is so ordered.

The committee amendments were agreed to.

The concurrent resolution, as amended, was agreed to.

The preamble was agreed to.

The text of the concurrent resolution (S. Con. Res. 97) will be printed in a future edition of the RECORD.

AMY SOMERS VOLUNTEERS AT FOOD BANKS ACT

Mr. CAMPBELL. I further ask unanimous consent that the Labor Committee be discharged from further consideration of H.R. 3152 and, further, the Senate proceed to its immediate consideration.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report.

The assistant legislative clerk read as follows:

A bill (H.R. 3152) to provide that certain volunteers at private nonprofit food banks are not employees for purposes of the Fair Labor Standards Act of 1938.

There being no objection, the Senate proceeded to consider the bill.

Mr. CAMPBELL. Mr. President, I ask unanimous consent the bill be considered read a third time and passed, the motion to reconsider be laid upon the table, and that any statements relating to the bill appear at this point in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill (H.R. 3152) was passed.

SECURITIES LITIGATION UNIFORM STANDARDS ACT OF 1998

Mr. CAMPBELL. Mr. President, I ask the Chair lay before the Senate a message from the House of Representatives on the bill (S. 1260) to amend the Securities Act of 1933 and Securities Exchange Act of 1934 to limit the conduct of securities class actions under State law, and for other purposes.

The PRESIDING OFFICER laid before the Senate the following message from the House of Representatives:

Resolved, That the bill from the Senate (S. 1260) entitled ''An Act to amend the Securities Act of 1933 and the Securities Exchange Act of 1934 to limit the conduct of securities class actions under State law, and for other purposes'', do pass with the following amendment:

Strike out all after the enacting clause and insert:

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Securities Litigation Uniform Standards Act of 1998''.

TITLE I—SECURITIES LITIGATION UNIFORM STANDARDS

SEC. 101. LIMITATION ON REMEDIES.

(a) AMENDMENTS TO THE SECURITIES ACT OF 1933.—

(1) AMENDMENT.—Section 16 of the Securities Act of 1933 (15 U.S.C. 77p) is amended to read as follows:

''SEC. 16. ADDITIONAL REMEDIES; LIMITATION ON REMEDIES.

''(a) REMEDIES ADDITIONAL.—Except as provided in subsection (b), the rights and remedies provided by this title shall be in addition to any and all other rights and remedies that may exist at law or in equity.

''(b) CLASS ACTION LIMITATIONS.—No covered class action based upon the statutory or common law of any State or subdivision thereof may be maintained in any State or Federal court by any private party alleging—

''(1) an untrue statement or omission of a material fact in connection with the purchase or sale of a covered security; or

''(2) that the defendant used or employed any manipulative or deceptive device or contrivance in connection with the purchase or sale of a covered security.

''(c) REMOVAL OF COVERED CLASS ACTIONS.—Any covered class action brought in any State court involving a covered security, as set forth in subsection (b), shall be removable to the Federal district court for the district in which the action is pending, and shall be subject to subsection (b).

''(d) PRESERVATION OF CERTAIN ACTIONS.—

''(1) ACTIONS UNDER STATE LAW OF STATE OF INCORPORATION.—

''(A) ACTIONS PRESERVED.—Notwithstanding subsection (b) or (c), a covered class action described in subparagraph (B) of this paragraph that is based upon the statutory or common law of the State in which the issuer is incorporated (in the case of a corporation) or organized (in the case of any other entity) may be maintained in a State or Federal court by a private party.

''(B) PERMISSIBLE ACTIONS.—A covered class action is described in this subparagraph if it involves—

''(i) the purchase or sale of securities by the issuer or an affiliate of the issuer exclusively from or to holders of equity securities of the issuer; or

''(ii) any recommendation, position, or other communication with respect to the sale of securities of the issuer that—

''(I) is made by or on behalf of the issuer or an affiliate of the issuer to holders of equity securities of the issuer; and

''(II) concerns decisions of those equity holders with respect to voting their securities, acting in response to a tender or exchange offer, or exercising dissenters' or appraisal rights.

''(2) STATE ACTIONS.—

''(A) IN GENERAL.—Notwithstanding any other provision of this section, nothing in this section may be construed to preclude a State or political subdivision thereof or a State pension plan from bringing an action involving a covered security on its own behalf, or as a member of a class comprised solely of other States, political subdivisions, or State pension plans that are named plaintiffs, and that have authorized participation, in such action.

''(B) STATE PENSION PLAN DEFINED.—For purposes of this paragraph, the term 'State pension plan' means a pension plan established and maintained for its employees by the government of the State or political subdivision thereof, or by any agency or instrumentality thereof.

''(3) ACTIONS UNDER CONTRACTUAL AGREEMENTS BETWEEN ISSUERS AND INDENTURE TRUSTEES.—Notwithstanding subsection (b) or (c), a covered class action that seeks to enforce a contractual agreement between an issuer and an indenture trustee may be maintained in a State or Federal court by a party to the agreement or a successor to such party.

''(4) REMAND OF REMOVED ACTIONS.—In an action that has been removed from a State court pursuant to subsection (c), if the Federal court determines that the action may be maintained in State court pursuant to this subsection, the Federal court shall remand such action to such State court.

''(e) PRESERVATION OF STATE JURISDICTION.—The securities commission (or any agency or office performing like functions) of any State shall retain jurisdiction under the laws of such State to investigate and bring enforcement actions.

''(f) DEFINITIONS.—For purposes of this section, the following definitions shall apply:

''(1) AFFILIATE OF THE ISSUER.—The term 'affiliate of the issuer' means a person that directly or indirectly, through one or more intermediaries, controls or is controlled by or is under common control with, the issuer.

''(2) COVERED CLASS ACTION.—

''(A) IN GENERAL.—The term 'covered class action' means—

''(i) any single lawsuit in which—

''(I) damages are sought on behalf of more than 50 persons or prospective class members, and questions of law or fact common to those persons or members of the prospective class, without reference to issues of individualized reliance on an alleged misstatement or omission, predominate over any questions affecting only individual persons or members; or

''(II) one or more named parties seek to recover damages on a representative basis on behalf of themselves and other unnamed parties similarly situated, and questions of law or fact common to those persons or members of the prospective class predominate over any questions affecting only individual persons or members; or

''(ii) any group of lawsuits filed in or pending in the same court and involving common questions of law or fact, in which—

''(I) damages are sought on behalf of more than 50 persons; and

''(II) the lawsuits are joined, consolidated, or otherwise proceed as a single action for any purpose.

''(B) EXCEPTION FOR DERIVATIVE ACTIONS.—Notwithstanding subparagraph (A), the term 'covered class action' does not include an exclusively derivative action brought by one or more shareholders on behalf of a corporation.

''(C) COUNTING OF CERTAIN CLASS MEMBERS.—For purposes of this paragraph, a corporation, investment company, pension plan, partnership, or other entity, shall be treated as one person or prospective class member, but only if the entity is not established for the purpose of participating in the action.

''(D) RULE OF CONSTRUCTION.—Nothing in this paragraph shall be construed to affect the discretion of a State court in determining whether actions filed in such court should be joined, consolidated, or otherwise allowed to proceed as a single action.

''(3) COVERED SECURITY.—The term 'covered security' means a security that satisfies the standards for a covered security specified in section 18(b)(1) at the time during which it is alleged that the misrepresentation, omission, or manipulative or deceptive conduct occurred, except that such term shall not include any debt security that is exempt from registration under this title pursuant to rules issued by the Commission under section 4(2) of this title.''.

(2) CIRCUMVENTION OF STAY OF DISCOVERY.—Section 27(b) of the Securities Act of 1933 (15 U.S.C. 77z–1(b)) is amended by inserting after paragraph (3) the following new paragraph:

''(4) CIRCUMVENTION OF STAY OF DISCOVERY.—Upon a proper showing, a court may stay discovery proceedings in any private action in a State court as necessary in aid of its jurisdiction, or to protect or effectuate its judgments, in an action subject to a stay of discovery pursuant to this subsection.''.

(3) CONFORMING AMENDMENTS.—Section 22(a) of the Securities Act of 1933 (15 U.S.C. 77v(a)) is amended—

(A) by inserting ''except as provided in section 16 with respect to covered class actions,'' after ''Territorial courts,''; and

(B) by striking ''No case'' and inserting ''Except as provided in section 16(c), no case''.

(b) AMENDMENTS TO THE SECURITIES EXCHANGE ACT OF 1934.—

(1) AMENDMENT.—Section 28 of the Securities Exchange Act of 1934 (15 U.S.C. 78bb) is amended—

(A) in subsection (a), by striking ''The rights and remedies'' and inserting ''Except as provided in subsection (f), the rights and remedies''; and

(B) by adding at the end the following new subsection:

''(f) LIMITATIONS ON REMEDIES.—

''(1) CLASS ACTION LIMITATIONS.—No covered class action based upon the statutory or common law of any State or subdivision thereof may be maintained in any State or Federal court by any private party alleging—

''(A) a misrepresentation or omission of a material fact in connection with the purchase or sale of a covered security; or

''(B) that the defendant used or employed any manipulative or deceptive device or contrivance in connection with the purchase or sale of a covered security.

''(2) REMOVAL OF COVERED CLASS ACTIONS.—Any covered class action brought in any State court involving a covered security, as set forth in paragraph (1), shall be removable to the Federal district court for the district in which the action is pending, and shall be subject to paragraph (1).

''(3) PRESERVATION OF CERTAIN ACTIONS.—

''(A) ACTIONS UNDER STATE LAW OF STATE OF INCORPORATION.—

''(i) ACTIONS PRESERVED.—Notwithstanding paragraph (1) or (2), a covered class action described in clause (ii) of this subparagraph that is based upon the statutory or common law of the State in which the issuer is incorporated (in the case of a corporation) or organized (in the case of any other entity) may be maintained in a State or Federal court by a private party.

''(ii) PERMISSIBLE ACTIONS.—A covered class action is described in this clause if it involves—

''(I) the purchase or sale of securities by the issuer or an affiliate of the issuer exclusively from or to holders of equity securities of the issuer; or

''(II) any recommendation, position, or other communication with respect to the sale of securities of an issuer that—

''(aa) is made by or on behalf of the issuer or an affiliate of the issuer to holders of equity securities of the issuer; and

''(bb) concerns decisions of such equity holders with respect to voting their securities, acting in response to a tender or exchange offer, or exercising dissenters' or appraisal rights.

''(B) STATE ACTIONS.—

''(i) IN GENERAL.—Notwithstanding any other provision of this subsection, nothing in this subsection may be construed to preclude a State or political subdivision thereof or a State pension plan from bringing an action involving a covered security on its own behalf, or as a member of a class comprised solely of other States, political subdivisions, or State pension plans that are named plaintiffs, and that have authorized participation, in such action.

''(ii) STATE PENSION PLAN DEFINED.—For purposes of this subparagraph, the term 'State pension plan' means a pension plan established and maintained for its employees by the government of a State or political subdivision thereof, or by any agency or instrumentality thereof.

''(C) ACTIONS UNDER CONTRACTUAL AGREEMENTS BETWEEN ISSUERS AND INDENTURE TRUSTEES.—Notwithstanding paragraph (1) or (2), a covered class action that seeks to enforce a contractual agreement between an issuer and an indenture trustee may be maintained in a State or Federal court by a party to the agreement or a successor to such party.

''(D) REMAND OF REMOVED ACTIONS.—In an action that has been removed from a State court pursuant to paragraph (2), if the Federal court determines that the action may be maintained in State court pursuant to this subsection, the Federal court shall remand such action to such State court.

''(4) PRESERVATION OF STATE JURISDICTION.—The securities commission (or any agency or office performing like functions) of any State shall retain jurisdiction under the laws of such State to investigate and bring enforcement actions.

''(5) DEFINITIONS.—For purposes of this subsection, the following definitions shall apply:

''(A) AFFILIATE OF THE ISSUER.—The term 'affiliate of the issuer' means a person that directly or indirectly, through one or more intermediaries, controls or is controlled by or is under common control with, the issuer.

''(B) COVERED CLASS ACTION.—The term 'covered class action' means—

''(i) any single lawsuit in which—

''(I) damages are sought on behalf of more than 50 persons or prospective class members, and questions of law or fact common to those persons or members of the prospective class, without reference to issues of individualized reliance on an alleged misstatement or omission, predominate over any questions affecting only individual persons or members; or

''(II) one or more named parties seek to recover damages on a representative basis on behalf of themselves and other unnamed parties similarly situated, and questions of law or fact common to those persons or members of the prospective class predominate over any questions affecting only individual persons or members; or

''(ii) any group of lawsuits filed in or pending in the same court and involving common questions of law or fact, in which—

''(I) damages are sought on behalf of more than 50 persons; and

''(II) the lawsuits are joined, consolidated, or otherwise proceed as a single action for any purpose.

''(C) EXCEPTION FOR DERIVATIVE ACTIONS.—Notwithstanding subparagraph (B), the term 'covered class action' does not include an exclusively derivative action brought by one or more shareholders on behalf of a corporation.

''(D) COUNTING OF CERTAIN CLASS MEMBERS.—For purposes of this paragraph, a corporation, investment company, pension plan, partnership, or other entity, shall be treated as one person or prospective class member, but only if the entity is not established for the purpose of participating in the action.

''(E) COVERED SECURITY.—The term 'covered security' means a security that satisfies the standards for a covered security specified in section 18(b)(1) of the Securities Act of 1933, at the time during which it is alleged that the misrepresentation, omission, or manipulative or deceptive conduct occurred, except that such term shall not include any debt security that is exempt from registration under the Securities Act of 1933 pursuant to rules issued by the Commission under section 4(2) of such Act.

''(F) RULE OF CONSTRUCTION.—Nothing in this paragraph shall be construed to affect the discretion of a State court in determining whether actions filed in such court should be joined, consolidated, or otherwise allowed to proceed as a single action.''.

(2) CIRCUMVENTION OF STAY OF DISCOVERY.—Section 21D(b)(3) of the Securities Exchange Act of 1934 (15 U.S.C. 78u–4(b)(3)) is amended by inserting after subparagraph (C) the following new subparagraph:

''(D) CIRCUMVENTION OF STAY OF DISCOVERY.—Upon a proper showing, a court may stay discovery proceedings in any private action in a State court as necessary in aid of its jurisdiction, or to protect or effectuate its judgments, in an action subject to a stay of discovery pursuant to this paragraph.''.

(c) APPLICABILITY.—The amendments made by this section shall not affect or apply to any action commenced before and pending on the date of enactment of this Act.

SEC. 102. PROMOTION OF RECIPROCAL SUBPOENA ENFORCEMENT.

(a) COMMISSION ACTION.—The Securities and Exchange Commission, in consultation with State securities commissions, shall seek to encourage the adoption of State laws providing for reciprocal enforcement by State securities commissions of subpoenas issued by another State securities commission seeking to compel persons to attend, testify in, or produce documents or records in connection with an action or investigation by a State securities commission of an alleged violation of State securities laws.

(b) REPORT.—Within 24 months after the date of enactment of this Act, the Commission shall submit a report to the Congress—

(1) identifying the States that have adopted laws described in subsection (a);

(2) describing the actions undertaken by the Commission and State securities commissions to promote the adoption of such laws; and

(3) identifying any further actions the Commission recommends for such purposes.

SEC. 103. REPORT ON CONSEQUENCES.

The Securities and Exchange Commission shall include in each of its first three annual reports submitted after the date of enactment of this Act a report regarding—

(1) the nature and the extent of the class action cases that are preempted by, or removed pursuant to, the amendments made by section 101 of this title;

(2) the extent to which that preemption or removal either promotes or adversely affects the protection of securities investors or the public interest; and

(3) if adverse effects are found, alternatives to, or revisions of, such preemption or removal that—

(A) would not have such adverse effects;

(B) would further promote the protection of investors and the public interest; and

(C) would still substantially reduce the risk of abusive securities litigation.

TITLE II—REAUTHORIZATION OF THE SECURITIES AND EXCHANGE COMMISSION

SEC. 201. AUTHORIZATION OF APPROPRIATIONS.

Section 35 of the Securities Exchange Act of 1934 (15 U.S.C. 78kk) is amended to read as follows:

''SEC. 35. AUTHORIZATION OF APPROPRIATIONS.

''(a) IN GENERAL.—In addition to any other funds authorized to be appropriated to the Commission, there are authorized to be appropriated to carry out the functions, powers, and duties of the Commission $351,280,000 for fiscal year 1999.

''(b) MISCELLANEOUS EXPENSES.—Funds appropriated pursuant to this section are authorized to be expended—

''(1) not to exceed $3,000 per fiscal year, for official reception and representation expenses;

''(2) not to exceed $10,000 per fiscal year, for funding a permanent secretariat for the International Organization of Securities Commissions; and

''(3) not to exceed $100,000 per fiscal year, for expenses for consultations and meetings hosted by the Commission with foreign governmental and other regulatory officials, members of their delegations, appropriate representatives, and staff to exchange views concerning developments relating to securities matters, for development and implementation of cooperation agreements concerning securities matters and provision of technical assistance for the development of foreign securities markets, such expenses to include necessary logistic and administrative expenses and the expenses of Commission staff and foreign invitees in attendance at such consultations and meetings, including—

''(A) such incidental expenses as meals taken in the course of such attendance;

''(B) any travel or transportation to or from such meetings; and

''(C) any other related lodging or subsistence.''.

SEC. 202. REQUIREMENTS FOR THE EDGAR SYSTEM.

Section 35A of the Securities Exchange Act of 1934 (15 U.S.C. 78ll) is amended—

(1) by striking subsections (a), (b), (c), and (e); and

(2) in subsection (d)—

(A) by striking the subsection designation;

(B) by striking ''; and'' at the end of paragraph (2) and inserting a period; and

(C) by striking paragraph (3).

TITLE III—CLERICAL AND TECHNICAL AMENDMENTS

SEC. 301. CLERICAL AND TECHNICAL AMENDMENTS.

(a) SECURITIES ACT OF 1933.—The Securities Act of 1933 (15 U.S.C. 77 et seq.) is amended as follows:

(1) Section 2(a)(15)(i) (15 U.S.C. 77b(a)(15)(i)) is amended by striking ''section 2(13) of the Act'' and inserting ''paragraph (13) of this subsection''.

(2) Section 11(f)(2)(A) (15 U.S.C. 77k(f)(2)(A)) is amended by striking ''section 38'' and inserting ''section 21D(f)''.

(3) Section 13 (15 U.S.C. 77m) is amended—

(A) by striking ''section 12(2)'' each place it appears and inserting ''section 12(a)(2)''; and

(B) by striking ''section 12(1)'' each place it appears and inserting ''section 12(a)(1)''.

(4) Section 18 (15 U.S.C. 77r) is amended—

(A) in subsection (b)(1)(A), by inserting '', or authorized for listing,'' after ''Exchange, or listed'';

(B) in subsection (c)(2)(B)(i), by striking ''Capital Markets Efficiency Act of 1996'' and inserting ''National Securities Markets Improvement Act of 1996'';

(C) in subsection (c)(2)(C)(i), by striking ''Market'' and inserting ''Markets'';

(D) in subsection (d)(1)(A)—

(i) by striking ''section 2(10)'' and inserting ''section 2(a)(10)''; and

(ii) by striking ''subparagraphs (A) and (B)'' and inserting ''subparagraphs (a) and (b)'';

(E) in subsection (d)(2), by striking ''Securities Amendments Act of 1996'' and inserting ''National Securities Markets Improvement Act of 1996''; and

(F) in subsection (d)(4), by striking ''For purposes of this paragraph, the'' and inserting ''The''.

(5) Sections 27, 27A, and 28 (15 U.S.C. 77z–1, 77z–2, 77z–3) are transferred to appear after section 26.

(6) Paragraph (28) of schedule A of such Act (15 U.S.C. 77aa(28)) is amended by striking ''identic'' and inserting ''identical''.

(b) SECURITIES EXCHANGE ACT OF 1934.—The Securities Exchange Act of 1934 (15 U.S.C. 78 et seq.) is amended as follows:

(1) Section 3(a)(10) (15 U.S.C. 78c(a)(10)) is amended by striking ''deposit, for'' and inserting ''deposit for''.

(2) Section 3(a)(12)(A) (15 U.S.C. 78c(a)(12)(A)) is amended by moving clause (vi) two em spaces to the left.

(3) Section 3(a)(22)(A) (15 U.S.C. 78c(a)(22)(A)) is amended—

(A) by striking ''section 3(h)'' and inserting ''section 3''; and

(B) by striking ''section 3(t)'' and inserting ''such section 3''.

(4) Section 3(a)(39)(B)(i) (15 U.S.C. 78c(a)(39)(B)(i)) is amended by striking ''an order to the Commission'' and inserting ''an order of the Commission''.

(5) The following sections are each amended by striking ''Federal Reserve Board'' and inserting ''Board of Governors of the Federal Reserve System'': subsections (a) and (b) of section 7 (15 U.S.C. 78g(a), (b)); section 17(g) (15 U.S.C. 78q(g)); and section 26 (15 U.S.C. 78z).

(6) The heading of subsection (d) of section 7 (15 U.S.C. 78g(d)) is amended by striking ''EXCEPTION'' and inserting ''EXCEPTIONS''.

(7) Section 14(g)(4) (15 U.S.C. 78n(g)(4)) is amended by striking ''consolidation sale,'' and inserting ''consolidation, sale,''.

(8) Section 15 (15 U.S.C. 78o) is amended—

(A) in subsection (c), by moving paragraph (8) two em spaces to the left;

(B) in subsection (h)(2), by striking ''affecting'' and inserting ''effecting'';

(C) in subsection (h)(3)(A)(i)(II)(bb), by inserting ''or'' after the semicolon;

(D) in subsection (h)(3)(A)(ii)(I), by striking ''maintains'' and inserting ''maintained'';

(E) in subsection (h)(3)(B)(ii), by striking ''association'' and inserting ''associated''.

(9) Section 15B(c)(4) (15 U.S.C. 78o–4(c)(4)) is amended by striking ''convicted by any offense'' and inserting ''convicted of any offense''.

(10) Section 15C(f)(5) (15 U.S.C. 78o–5(f)(5)) is amended by striking ''any person or class or persons'' and inserting ''any person or class of persons''.

(11) Section 19(c) (15 U.S.C. 78s(c)) is amended by moving paragraph (5) two em spaces to the right.

(12) Section 20 (15 U.S.C. 78t) is amended by redesignating subsection (f) as subsection (e).

(13) Section 21D (15 U.S.C. 78u–4) is amended—

(A) by redesignating subsection (g) as subsection (f); and

(B) in paragraph (2)(B)(i) of such subsection, by striking ''paragraph (1)'' and inserting ''subparagraph (A)''.

(14) Section 31(a) (15 U.S.C. 78ee(a)) is amended by striking ''this subsection'' and inserting ''this section''.

(c) INVESTMENT COMPANY ACT OF 1940.—The Investment Company Act of 1940 (15 U.S.C. 80a–1 et seq.) is amended as follows:

(1) Section 2(a)(8) (15 U.S.C. 80a–2(a)(8)) is amended by striking ''Unitde'' and inserting ''United''.

(2) Section 3(b) (15 U.S.C. 80a–3(b)) is amended by striking ''paragraph (3) of subsection (a)'' and inserting ''paragraph (1)(C) of subsection (a)''.

(3) Section 12(d)(1)(G)(i)(III)(bb) (15 U.S.C. 80a–12(d)(1)(G)(i)(III)(bb)), by striking ''the acquired fund'' and inserting ''the acquired company''.

(4) Section 18(e)(2) (15 U.S.C. 80a–18(e)(2)) is amended by striking ''subsection (e)(2)'' and inserting ''paragraph (1) of this subsection''.

(5) Section 30 (15 U.S.C. 80a–29) is amended—

(A) by inserting ''and'' after the semicolon at the end of subsection (b)(1);

(B) in subsection (e), by striking ''semi-annually'' and inserting ''semiannually''; and

(C) by redesignating subsections (g) and (h) as added by section 508(g) of the National Securities Markets Improvement Act of 1996 as subsections (i) and (j), respectively.

(6) Section 31(f) (15 U.S.C. 80a–30(f)) is amended by striking ''subsection (c)'' and inserting ''subsection (e)''.

(d) INVESTMENT ADVISERS ACT OF 1940.—The Investment Advisers Act of 1940 (15 U.S.C. 80b et seq.) is amended as follows:

(1) Section 203(e)(8)(B) (15 U.S.C. 80b–3(e)(8)(B)) is amended by inserting ''or'' after the semicolon.

(2) Section 222(b)(2) of (15 U.S.C. 80b–18a(b)(2)) is amended by striking ''principle'' and inserting ''principal''.

(e) TRUST INDENTURE ACT OF 1939.—The Trust Indenture Act of 1939 (15 U.S.C. 77aaa et seq.) is amended as follows:

(1) Section 303 (15 U.S.C. 77ccc) is amended by striking ''section 2'' each place it appears in paragraphs (2) and (3) and inserting ''section 2(a)''.

(2) Section 304(a)(4)(A) (15 U.S.C. 77ddd(a)(4)(A)) is amended by striking ''(14) of subsection'' and inserting ''(13) of section''.

(3) Section 313(a) (15 U.S.C. 77mmm(a)) is amended—

(A) by inserting ''any change to'' after the paragraph designation at the beginning of paragraph (4); and

(B) by striking ''any change to'' in paragraph (6).

(4) Section 319(b) (15 U.S.C. 77sss(b)) is amended by striking ''the Federal Register Act'' and inserting ''chapter 15 of title 44, United States Code,''.

SEC. 302. EXEMPTION OF SECURITIES ISSUED IN CONNECTION WITH CERTAIN STATE HEARINGS.

Section 18(b)(4)(C) of the Securities Act of 1933 (15 U.S.C. 77r(b)(4)(C)) is amended by striking ''paragraph (4) or (11)'' and inserting ''paragraph (4), (10), or (11)''.

Mr. CAMPBELL. Mr. President, I ask unanimous consent that the Senate disagree in the amendment of the House and request a conference with the House, and the Chair be authorized to appoint conferees on the part of the Senate.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Presiding Officer appointed Mr. D'AMATO, Mr. GRAMM, Mr. SHELBY, Mr. SARBANES, and Mr. DODD conferees on the part of the Senate.

ORDERS FOR THURSDAY, JULY 30, 1998

Mr. CAMPBELL. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until 9 a.m. on Thursday, July 30. I further ask that when the Senate reconvenes on Thursday, immediately following the prayer, the routine requests through the morning hour be granted and the Senate then begin a period of morning business until 9:30 a.m., with the time controlled by Senator GRASSLEY or his designee.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CAMPBELL. I now ask that at 9:30 a.m. on Thursday, the Senate proceed to the DOD appropriations bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. CAMPBELL. For the information of all Senators, when the Senate reconvenes on Thursday at 9 a.m., there will be a period of morning business until 9:30 a.m. so that several Senators may introduce and discuss a farmer's tax bill. Following morning business, under a previous order, the Senate will begin consideration of S. 2132, the Department of Defense appropriations bill. Members are encouraged to come to the floor early during Thursday's session to offer and debate amendments to the defense bill. The first votes of Thursday's session will be in a stacked series at 2 p.m. Those votes will include any remaining amendments to the Treasury-Postal appropriations bill and possibly amendments to the defense appropriations bill. Members should expect further votes late into the evening on Thursday, as the Senate attempts to complete action on the defense bill.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. CAMPBELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADJOURNMENT UNTIL 9 A.M. TOMORROW

Mr. CAMPBELL. If there is no further business to come before the Senate, I now ask that the Senate stand in adjournment under the previous order.

There being no objection, the Senate, at 9:59 p.m., adjourned until Thursday, July 30, 1998, at 9 a.m.

NOMINATIONS

Executive nominations received by the Senate July 29, 1998:

ENVIRONMENTAL PROTECTION AGENCY

NORINE E. NOONAN, OF FLORIDA, TO BE AN ASSISTANT ADMINISTRATOR OF THE ENVIRONMENTAL PROTECTION AGENCY, VICE ROBERT JAMES HUGGETT, RESIGNED.

DEPARTMENT OF HEALTH AND HUMAN SERVICES

PATRICIA T. MONTOYA, OF NEW MEXICO, TO BE COMMISSIONER ON CHILDREN, YOUTH, AND FAMILIES, DEPARTMENT OF HEALTH AND HUMAN SERVICES, VICE OLIVIA A. GOLDEN, RESIGNED.

IN THE AIR FORCE

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES AIR FORCE TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 624:

To be brigadier general

COL. ROBERT W. CHEDISTER, 0000.

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES AIR FORCE TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

To be lieutenant general

MAJ. GEN. CHARLES R. HEFLEBOWER, 0000.

IN THE MARINE CORPS

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES MARINE CORPS TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

To be lieutenant general

LT. GEN. MICHAEL J. BYRON, 0000.

IN THE NAVY

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES NAVY TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

To be vice admiral

VICE ADM. VERNON E. CLARK, 0000.

DEPARTMENT OF DEFENSE

JAMES M. BODNER, OF VIRGINIA, TO BE DEPUTY UNDER SECRETARY OF DEFENSE FOR POLICY, VICE JAN LODAL.

DEPARTMET OF TRANSPORTATION

EUGENE A. CONTI, JR., OF MARYLAND, TO BE AN ASSISTANT SECRETARY OF TRANSPORTATION, VICE FRANK EUGENE KRUESI, RESIGNED.

DEPARTMENT OF ENERGY

GREGORY H. FRIEDMAN, OF COLORADO, TO BE INSPECTOR GENERAL OF THE DEPARTMENT OF ENERGY, VICE JOHN C. LAYTON, RESIGNED.

DEPARTMENT OF JUSTICE

HARRY LITMAN, OF PENNSYLVANIA, TO BE UNITED STATES ATTORNEY FOR THE WESTERN DISTRICT OF PENNSYLVANIA FOR THE TERM OF FOUR YEARS VICE FREDERICK W. THIEMAN, RESIGNED.

PAUL M. WARNER, OF UTAH, TO BE UNITED STATES ATTORNEY FOR THE DISTRICT OF UTAH FOR THE TERM OF FOUR YEARS VICE SCOTT M. MATHESON, JR., RESIGNED.

EXTENSIONS OF REMARKS

THE PURPLE HEART VETERAN JUSTIFICATION ACT, H.R. 3970

HON. HOWARD P. "BUCK" McKEON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 29, 1998

Mr. McKEON. Mr. Speaker, today I rise to address a troubling situation that Congress can address before our wounded Veteran's hard earned medals are diminished in importance.

As you may recall last year, Congress passed S. 923 denying burial benefits to veterans convicted of Federal Capital Offenses. The primary reason for the need of this legislation was to prevent individuals such as Tim McVeigh, the convicted murderer and terrorist, from being buried in our national cemeteries. We passed this legislation by voice vote with many members speaking out in favor of its passage.

I would like to relate the story of a woman by the name of Leah Schendel. On December 18, 1980, Mrs. Schendel was brutally raped and murdered by Manuel Babbit. Mrs. Schendel was a loving mother and at the time of her death was 78 years old, less than 5 feet tall, and weighed under 100 pounds. In 1981, Mr. Babbit was convicted of the horrible murder and was sentenced to death. Mr. Babbit's final appeal was scheduled for just this past month.

How might this problem relate to the problem of the Purple Heart Medal? Well, Mr. Babbit, a convicted murderer and death penalty recipient, recently received the Purple Heart Medal for wounds that he received in Vietnam over 25 years ago. While I do not argue that Mr. Babbit is eligible for the award, I have serious problems with the circumstances surrounding Mr. Babbit's application for the Purple Heart Medal. With no other choice, the military approved the award, which was required by Mr. Babbit's attorney, Charles Patterson.

I find the timing of Mr. Babbit's reception of this award troubling. Assuming the worst case scenario, Mr. Babbit is attempting to use the honor that comes along with reception of this medal to curry favor with an appellate judge to reduce his sentence or grant him a new trial. I find it appalling that someone would attempt to bring dishonor to an award granted to individuals who bravely fought for the greatness of the nation by using it to assist a murderer's appeal process.

H.R. 3970 would help put an end to problems like this. It would also go a long way to preserving the honor and dignity of the Purple Heart Medal. This legislation would prohibit the awarding of the Purple Heart Medal to individuals convicted of Federal Capital Offenses. The measure does not address eligibility for the award, but rather denies reception of the award for convicted Capital Offenders. The legislation is not retro-active and would not strip individuals of the Purple Heart Medal who had received the award prior to their conviction. Finally, the legislation is narrow in focus and would only apply to a very select group of individuals that have committed the most heinous crimes in our society.

Mr. Speaker, it is not often that we can act before a problem occurs, but that is exactly what this Congress can do on this matter. This legislation has been endorsed by the Military Order of the Purple Heart and was introduced with the support of the House Veterans Affairs Committee Chairman Bob Stump. I would urge my colleagues to help preserve the dignity of the Purple Heart by co-sponsoring this important legislation.

IN HONOR OF RALPH A. VASEY

HON. DENNIS J. KUCINICH

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 29, 1998

Mr. KUCINICH. Mr. Speaker, I rise to honor the achievements of Ralph Vasey on the occasion of his 80th birthday.

Ralph Vasey, a boxer in his teens, joined the Marine Corps and served diligently in the second world war, where he was wounded three times. He returned home to the honorable trade of Roofer, Waterproofer and Allied Worker. He held offices, including that of the president, for Local 44 through three decades; and was among the founders of the Pension Fund and Health and Welfare Fund for Local 44. Ralph Vasey has been a hard and industrious worker in all his pursuits and exemplifies the American Spirit. He worked with his hands and built a life he can be proud of. He has not only helped himself, but also persevered to help those in his community.

Ralph Vasey is also a devoted family man. He is the proud father of Michael. And his two granddaughters, Jenelle and Carrie, have made him a great grandfather of Jonathan, Brandon, Michael, Nicholas, Mikayla and soon to arrive Justin. In all his pursuits, Ralph Vasey has not lost sight of what is truly important: His family.

My fellow colleagues, please join me in recognizing the life accomplishments of a father, grandfather and great-grandfather, and a veteran of our country, Ralph Vasey, on his 80th birthday.

146TH ANNIVERSARY OF THE TRAGEDY AT EL PUEBLO, CO

HON. SCOTT McINNIS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 29, 1998

Mr. McINNIS. Mr. Speaker, Whereas, in 1842, El Pueblo was built a few miles above the junction of the Napeste River, present day Arkansas River, and Fountaine-qui-bouille, present day Fountain Creek, just north of the Mexican Border, and

Whereas, the Native American inhabitants of the area, had been displaced from their homes without regard to their survival and had suffered immensely, and

Whereas, at Christmas 1854 a party of Utes, and some Jicarilla Apaches, led by Chief Tierra Blanca fought with the occupants of El Pueblo resulting in the deaths of at least twelve Spanish surnamed individuals, and the capture of the two boys, and the deaths of an unknown number of Native Americans, and

Whereas, the settlers killed at El Pueblo were early residents of Pueblo, braving new frontiers and looking for a better way of life, and became victims at a time when cultures were in conflict, and

Whereas, it has been one-hundred forty-four years since the tragedy at El Pueblo.

Now, therefore, I Scott McInnis, a United States Congressman from the State of Colorado, on behalf of the Fray Angelico Chazes Hispanic Genealogical Society of Southern Colorado, proclaim this a significant event in Pueblo and Colorado's history and what led to this tragedy could have been prevented by the promotion of greater understanding between peoples and cultures and should never be allowed to happen again.

TRIBUTE TO DR. GERALD FROM

HON. CAROLYN B. MALONEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 29, 1998

Mrs. MALONEY of New York. Mr. Speaker, I rise today to pay a respectful tribute to Dr. Gerald From, who has provided invaluable services to the South Bronx Mental Health Council since 1969 and made a tremendous contribution to the Gouverneur Hospital Community Advisory Board.

A long-time resident of New York, Dr. From received his B.A. from Yeshiva University, his Masters in Counseling Psychology from Columbia Teachers College and his Ph.D. in Rehabilitation Counseling from New York University in 1987.

A man of many talents, Dr. From is a licensed substitute teacher for the New York City school system, as well as a rehabilitation counselor and a psychologist. He has worked at the Rockland County Center for the physically handicapped, the Pesach Tikvah Guidance Center, and he also ran his own part-time private practice.

Dr. From has made significant contributions to the Bronx Mental Health Clinics. In a variety of capacities during his 28 years of service there, he acted as both a senior and a supervising vocational rehabilitation counselor.

Dr. From impact on the New York community has also been profound. He was a remedial mathematics teacher at an antipoverty program called Project Talent, and he served as an audiometric tester for the Jewish Educational Committee, testing thousands of youngsters for hearing defects. He has served

on many boards, including the board of directors for the 219 Henry Street Corporation and the Department Center for Education and Health Services.

Dr. From has also received numerous honors, ranging from being named among the ''Outstanding Young Men in America'' in 1974, to being included in the 1997–98 Whos's Who in Medicine and Health Care.

Tonight, however, Dr. From will be honored for his outstanding contribution to the Gouverneur Hospital Community Advisory Board. Dr. From was first elected to the board in 1974 by over 3,000 diverse members of the New York City community. He served as treasurer until 1977, and then proceeded to serve as chairman of the board for 21 years. The community and Gouverneur Hospital have benefitted immensely from his wisdom and guidance.

Mr. Speaker, I ask that my colleagues join me in thanking and congratulating Dr. From for his many years of outstanding service to this board and to the community. It is a privilege to have such an outstanding leader in my district.

TRIBUTE TO OFFICER CLAIRE CONNELLY

HON. KEN CALVERT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 29, 1998

Mr. CALVERT. Mr. Speaker, I rise today to pay tribute to a fallen police officer from Riverside, California. Officer Claire Connelly, who was an 18-month veteran of the force, is the first female Riverside police officer ever to be killed in the line of duty. She contributed generously of her time and talents to help others and to make her community a better place in which to live and work.

She was a bright, caring, and compassionate individual who made an everlasting impression in her short life. Claire Connelly went out every day to make a difference and she did—some days in small ways, some days in big ways, and on July 12, 1998, at the cost of her life. One cannot ask more of peace officers. Officer Connelly deserves our deepest respect and gratitude.

Mr. Speaker, I ask that you and our colleagues join me today in remembering this fine officer. On behalf of the residents of the 43rd Congressional District, I extend my prayers and most heartfelt sympathy to her family and loved ones.

TRIBUTE TO THE BRONX PUERTO RICAN DAY PARADE

HON. JOSÉ E. SERRANO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 29, 1998

Mr. SERRANO. Mr. Speaker, once again it is with pride that I rise to pay tribute to the Bronx Puerto Rican Day Parade, on its tenth year of celebrating the culture and contributions of the Puerto Rican community to our nation.

The Bronx Puerto Rican Day Parade will be held on Sunday in my South Bronx Congressional District. The event is the culmination of a series of activities surrounding Puerto Rican Week in the Bronx.

Under the leadership of its founder, Mr. Angel L. Rosario, and its president, Mr. Francisco Gonzalez, the Parade has grown into one of the most colorful and important festivals of Puerto Rican culture in the five Boroughs of New York City and beyond.

The Parade brings together people from all ethnic backgrounds, including Puerto Ricans from the island and all across the nation.

It is an honor for me to join once again the hundreds of thousands of people who will march with pride from Mount Eden to 161st Street and the Grand Concourse in celebration of our Puerto Rican heritage. The Puerto Rican flag and other ornaments in the flag's red, white, and blue will decorate the festival.

As one who has participated in the parade in the past, I can attest that the excitement it generates brings the entire City together. It is a celebration and an affirmation of life. It feels wonderful that so many people can have this experience, which will change the lives of many of them. There's no better way to see our Bronx community.

The event will feature a wide variety of entertainment for all age groups. The Parade ends at 161st and the Grand Concourse, where live music, Puerto Rican food, crafts, and other entertainments await partakers. It is expected that this year's Parade will surpass last year's half-million visitors.

In addition to the Parade, President Gonzalez and the many organizers will provide the community with nearly a week of activities to commemorate the contributions of the Puerto Rican community, its culture and history.

Mr. Speaker, it is with enthusiasm that I ask my colleagues to join me in paying tribute to this wonderful celebration of Puerto Rican culture, which has brought much pride to the Bronx community.

TRIBUTE TO COLONEL JOHN KELLY

HON. FLOYD SPENCE

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 29, 1998

Mr. SPENCE. Mr. Speaker, it is a pleasure for me to pay tribute today to a truly exceptional Marine, and American, Colonel John Kelly, who serves as the Marine Corps Liaison Officer to the U.S. House of Representatives. Today, John pins on the rank of ''full-bird'' colonel. I cannot think of an officer more deserving of this promotion.

Military promotion boards make their selections based on sustained and superior performance, as well as on an officer's ability to lead. John has demonstrated throughout his career that he is an outstanding leader of Marines. And that is the essence being a Marine!

A native of Brighton, Massachusetts, John began his military career by enlisting in the Marine Corps on September 10, 1970. From the beginning, John demonstrated his leadership potential. Only nineteen months after enlisting, John was meritoriously promoted to sergeant—a feat that is nearly unheard of! Shortly thereafter, John was selected for the coveted Marine Enlisted Commissioning Education Program, where he obtained his bachelor's degree in just over three years.

Upon graduation, John was commissioned a Second Lieutenant in the Marine Corps on November 1, 1975. Throughout his twenty-eight-year career, John Kelly has commanded every echelon of infantry unit from fire team to battalion. His non-Fleet Marine Force assignments included serving as executive officer of the Marine detachments aboard the aircraft carriers U.S.S. *Forrestal* and U.S.S. *Independence.* During his ship-board duty, John acquired his ''sea-legs'' by qualifying as ''Officer of the Deck Underway,'' a qualification that is difficult to achieve and allowed him to conn the ship during flight operations. Among his other assignments, John was stationed at the Marine Corps' Combat Development Command where he served as instructor at ''The Basic School,'' manpower monitor, and director of the Infantry Officers Course. John also has earned post-graduate degrees from Georgetown University and the National Defense University.

On June 11, 1995, Colonel Kelly reported for duty at the Marine Corps' House Liaison Office and immediately assumed responsibility for the direction of the liaison office's activities, which include responding to Congressional and constituent inquiries as well as planning, coordinating and escorting Members and Congressional Staff on domestic and overseas travel. I benefited personally from John's professionalism, thoroughness and attention to detail, having had the opportunity to travel with him to military installations around the world. I know that I speak for all of my colleagues in thanking John for his integrity, his dedication to duty and, above all, for his friendship. John is a natural leader in the finest tradition of the nation and the Marine Corps.

I would also like to take a moment to recognize John's family. The national asks a lot of our service members. And when we ask a lot of the men and women in uniform, we also ask a lot of the spouses and families that are left behind. During John's career, he and his family have made many sacrifices for his nation. Therefore, I would also like to thank John's family—his lovely wife, Karen, and their three children, John, Robert and Kathleen—for their support to John and for their contributions to the Marine Corps.

Mr. Speaker, I know first hand that Colonel John Kelly is ready to meet the challenges and opportunities ahead. John epitomizes what it means to devote oneself to serving the nation. I look forward to the day when I will call him ''General.'' Semper Fidelis!

IN RECOGNITION OF MICHAEL D. WIDLER

HON. SCOTT McINNIS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 29, 1998

Mr. McINNIS. Mr. Speaker, I rise today in recognition of an individual who has, for the past 30 years, faithfully and honorably served in the United States of America while in the United States Naval Reserves. His name is Michael D. Widler of Grand Junction, Colorado. During his distinguished career, Mr. Widler, a Master Chief Petty Officer, provided exceptional service and sustained outstanding performance while serving with the Naval Security Group, from October 8, 1969 through

October 7, 1998. Master Chief Widler has been the only member in the history of the Security Group Reserve Program to attain the rank of Master Chief Petty Officer in the CTA rating. He has served in numerous active duty and reserve assignments in Colorado, Alaska, Kansas and Washington D.C. He has served as the key enlisted member of national teams where he was instrumental in the development of an action plan to restructure portions of the Naval Reserve program. He served as the national advisor to validate Naval Reserve support billets at the National Security Agency. His career has been distinguished by excellence in leadership and a deep commitment to the United States of America. Master Chief Widler has continuously demonstrated superior management abilities, administrative expertise and an abiding concern for his shipmates. His outstanding performance, inspiring leadership and total dedication to duty have reflected great credit upon himself, the State of Colorado and the United States Navy. Please join me in thanking CTACM Mike Widler for his 30 years of service and on a job well done.

PATIENT PROTECTION ACT OF 1998

SPEECH OF

HON. DENNIS J. KUCINICH

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, July 24, 1998

Mr. KUCINICH. Mr. Speaker, I rise today to speak about a specific provision in the Patient Protection Act.

According to the *Washington Post*, and I quote: ''The Republican-crafted Patient Protection Act of 1998 would allow anyone who collects health information . . . to provide that data to any health care provider or health plan''. In other words, no one's personal health care information will be private. From your broken leg, to your HIV status, to your genetic makeup, to your psychiatric records—all of it can be bought and sold between hospitals, health maintenance organizations, doctors, pharmacies and insurers. Anyone in the health care business will be able to find out the most intimate details of your life under the Patient Protection Act.

As Mr. DINGELL said, ''This is one of the worst outrages that I've seen.'' It is an outrage. It is also unconstitutional. The Fourth Amendment of the United States Constitution guarantees ''The right of the people to be secure in their persons, houses, papers, and effects, against unreasonable searches and seizures.''

The taking of personal health information under the false pretense that this information is private, and selling or giving that information away violates the right of the people to be ''secure in their persons''. Rifling through a persons' health care files for the purpose of selling that information is an unlawful search. And accepting this information without the patient's consent is an unlawful seizure.

It is no accident that the bill actually does protect patients is the Patient Bill of Rights. The Dingell-Ganske Patient Bill of Rights reforms the HMO industry without invading the constitutionally protected right to privacy. I urge my colleagues to vote for the Dingell-Ganske Patient Bill of Rights.

IN TRIBUTE

SPEECH OF

HON. CAROLYN B. MALONEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 29, 1998

Mrs. MALONEY of New York. Mr. Speaker, it's difficult to add to what my fellow Members of Congress have said here today about the dedication and commitment of the Capitol Police Force.

Officers Jacob Chestnut and John Gibson gave their lives so that some of my colleagues might live.

I did not know officers Gibson or Chestnut. But they laid down their lives for my fellow Members and in so doing, they were my friends.

I want to simply thank the Capitol Police Force for their acts of bravery. And I deeply admire their courage—not only in the face of danger but also in the face of tremendous grief these past few days.

Officers Jacob Chestnut and John Gibson are leaving behind wives and children. I extend my condolences to them, and I also extend my condolences to my fellow Members of the House because we all clearly have lost two friends—two people who were committed to service—who were committed to us. Committed to this country and committed to democracy.

They have continued to stand proudly and helpfully on the streets and corners of Capitol Hill carrying on through these difficult days.

We remember these two brave officers today—and will memorialize them in the Capitol building.

It's also a time to remember the officers across the country who have laid down their lives for the citizens they protect.

Right now—near my home town—a 28 year old officer is struggling to stay alive after a teenager shot him in cold blood. Officer Gerard Carter took a bullet to his head as he walked with a fellow officer apparently on his beat in Staten Island.

Officer Carter had recently received the ''Policeman of the Month'' award. He is married and has a young son. I pray for his survival.

IN MEMORY OF DAVID GOLDWARE

HON. KEN CALVERT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 29, 1998

Mr. CALVERT. Mr. Speaker, I rise today to honor and pay tribute to an individual whose dedication to the community and to the overall well-being of the 43d Congressional District is unparalleled. My district has been fortunate to have dynamic and dedicated community leaders who willingly and unselfishly give of their time and talents to make their communities a better place to live and work. Mr. David Goldware was first among these individuals. He died last week at the age of 81.

David Goldware was a man who never shied away from becoming involved from helping others and helping his community. He was a strong advocate for the less fortunate, for his community, and the country he loved. David Goldware served with honor in the U.S. Navy during World War II, and was decorated with a presidential unit citation for saving the life of a fellow crewman when their ship was torpedoed. After leaving the Navy, he continued this commitment to his country through his involvement with veterans' issues. When the Riverside National Cemetery fell into disrepair a few years ago, David helped put together any army of volunteers to clean up the cemetery and maintain the grounds.

He was also active in many community organizations, including B'nai B'rith, Temple Beth El, City of Hope, Greater Riverside Chambers of Commerce, United Way, Boy Scouts of America, St. Jude Children's Research Hospital, Riverside Community Hospital Foundation, and the Janet Goeske Senior Center. His good deeds and work in the community would fill pages and pages were I to try and list them all. David's outstanding accomplishments made everyone who met him proud to call him a friend, community leader, and fellow American.

David was a wonderful guy—he brightened up every room and every person he met. He became the unofficial historian at every event he attended because he always had his camera with him. I have pictures in my desk drawer that David sent to me of a charity event in Riverside that were taken just a few days before his death. As always, David was there with his camera and a smile for everyone he met.

David would have agreed that his greatest accomplishment was his family. He married his wife, June, in 1942 and together they raised two wonderful sons. She has recently preceded him in death. My deepest condolences go to David's sons, Michael and Nick. My thoughts and prayers are with them. David Goldware will be sorely missed—I don't know how you replace someone like him. The 43d Congressional District, and I, have lost a dear friend. We can best honor him by trying to meet the same high standard he set as a patriot, citizen, and friend.

IN TRIBUTE

SPEECH OF

HON. ANNE M. NORTHUP

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 28, 1998

Mrs. NORTHUP. Mr. Speaker, I recognize that my few remarks here today could never adequately express the profound sadness felt by myself, my Congressional colleagues members of the Capitol Hill Police Force and indeed the entire nation, over the slaying of Officer J.J. Chestnut and Detective John Gibson.

Last Friday, an individual bent on destruction and misery, launched an attack on this building. But he did much more than that. He also attacked the very freedom this building symbolizes. But he was not successful. At that critical moment in time, two officers performed the duties they were sworn to, and sacrificed their lives to saved others.

This tragedy has affected all of us. I believe that during the past few days, Americans have paused to reflect what freedom and democracy mean to them. Because the Capitol is much more than just a building. The Capitol Hill Police Force do not just project a physical

structure, but also the very center of our democracy.

In my year and a half in Congress, I have often commented on the openness of our capitol building. I have seen how the history of both the building and our nation, expressed the walls and ceilings and stairs, interested and inspired school children and senior citizens alike. The supreme sacrifice given us by Officer Chestnut and Detective Gibson is in the same tradition of courage and honor demonstrated by every man and woman who have given their lives so that we may be free.

I would like to complement the outstanding work performed daily by the Capitol Hill Police Force. Every day, they stand on the street corners and in doorways and give directions to lost and tired visitors. They answer the same questions one hundred times a day. And they do it with courtesy, dignity, and professionalism. They are goodwill ambassadors to thousands of visitors—yet they remain largely unheralded. Finally, they are highly trained law enforcement agents sworn to protect the lives of Members of Congress, staff, and all others who make their way to Capitol Hill.

Last Friday, two brave men upheld their oath with heartbreaking efficiency, and today we mourn their loss.

IN TRIBUTE IN MEMORY OF OFFICER JACOB CHESTNUT AND DETECTIVE JOHN GIBSON

SPEECH OF

HON. RON KIND

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 28, 1998

Mr. KIND. Mr. Speaker, I want to express my deepest sympathy to the families of Officer Jacob Joseph ''J.J.'' Chestnut and Detective John Michael Gibson. These fine men made the ultimate sacrifice for their government and their country. My wife, Tawni, and I will keep their loved ones in our prayers in this time of terrible pain and sadness.

This is my first term in Congress. I have been impressed by how accessible the Capitol building, and all the buildings in the Capitol complex, are to the American public. I have also been impressed with the superb level of security provided to the Members of Congress, staff and the public by the Capitol police force.

This senseless act of random violence will cause some people to call for closing the doors of the Capitol to the public—turning it into a fortress. This building has historically been the center of the People's government, housing the proceeding of the House, the Senate and the Supreme Court. The public has always been able to freely witness the proceedings under its roof. Millions visit the Capitol of the United States each year. They come from across the country and around the world for the chance to walk through the halls of what they know is the ultimate beacon of Democracy and freedom.

Officers Chestnut and Gibson knew, as well as any of us, how important a visit to this Nation's Capitol is to so many people who pass through its doors. Their names have been added to the list of those who have died to preserve the freedoms we enjoy. Many of us forget all too often that freedom has a heavy price. Their astonishing bravery is becoming clearer as we learn the details of their struggle to stop the gunman last Friday. Their selfless instincts were to protect, at all cost, the innocent people working in and visiting the Capitol that day.

Sealing off the Capitol to the public would sidestep the real issue that these Officers and police everywhere in America deal with every day—escalating gun violence. We should use this horrible incident to examine our society and consider what can be done to reduce this violence and keep guns out of the hands of those who would perpetrate such heinous crimes. When it comes to the point where children are shooting other children in our schools and a gunman shoots his way into the U.S. Capitol, we must recommit ourselves to finding real solutions to gun violence.

We should honor the memory of Officer Chestnut and Detective Gibson by taking the steps necessary to reduce gun violence in our country. That is the challenge posed to us by their ultimate sacrifice. That is the legacy they deserve.

MORAL VALUES

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 29, 1998

Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington Report for Wednesday, July 29, 1998 into the CONGRESSIONAL RECORD.

MORAL VALUES

I've often been impressed in talking with Hoosiers about the concern that many of them have that the state of moral values in the country is weak. With all of the tough issues of the day, like the problems of campaign finance or how to maintain solid economic growth in the economy, the moral concern of Hoosiers comes through repeatedly. They worry about moral decline and about the character and values exhibited by Americans today.

More generally, the polls show that by substantial majorities the public believes that the United States is in a long-term moral decline. They see behavior that weakens family life, widespread disrespect for authority, an inclination towards self-indulgence and a lessening of personal responsibility. They see a lot of behavior around them they do not approve of: A professional athlete spits on an umpire or abuses women, a movie star says she wants a baby but not a husband, and a politician makes a lot of money on a book deal from a personal scandal. They do not like to see children being mistreated or ignored, marriages disintegrating, high levels of violence and drug use, deteriorating educational systems, less emphasis on responsibility and accountability, increasing coarseness and incivility in popular culture and politics, too much emphasis on making money, not enough concern about the distinction between right and wrong, less concern with the truth.

I think most Hoosiers understand too that there is only so much government can do to improve the moral culture of the country. Certainly government actions can make it either harder or easier for families to prosper, or for children to get a good education, for example. Government can punish actions which threaten the social order. It can fund programs to fight drugs and crime, pass laws against discrimination and pornography, and hold congressional hearings to spotlight moral issues. Public officials can be positive or negative role models. But government's power to foster attitudes like civility and respect is limited.

Fortunately there are many institutions which strengthen our society and build character and citizenship. It is not surprising then that the country is becoming more concerned about civil society—that is, the relationships and institutions that are not controlled by the government but are essential, like families, neighborhoods, and the web of religious, economic, educational and civic associations that foster character in individuals and help children become good people and good citizens.

By all odds, the most important is the family, where children first learn or fail to learn the simple virtues: honesty trust, loyalty, cooperation, self-restraint, civility, compassion, personal responsibility, and respect for others.

Religion is very important in the lives of most Americans, and our churches foster the values that are essential to good quality of life in America. They emphasize personal responsibility, respect for moral law, and concern for others. They remind us of the timeless and transcendent virtues toward which we all must strive.

A large number of voluntary civic organizations help define our country and help us achieve social goals. All of us know the importance that civic organizations like Little League, the Chamber of Commerce, service clubs, the Future Farmers of America, Boy and Girl Scouts, and hundreds of others play in improving our lives. People want to be able to play in the parks, go to the library, learn from and help each other, and participate in all sorts of activities and relationships that make life meaningful.

In every community there are people who push for greater exposure to music, poetry, literature, and the other arts. The arts strengthen our communities by affirming important, core values: creativity, sensitivity, integrity of expression, craftsmanship.

Schools, of course, are crucial. They shape the lives of students and at their best require basic standards of good conduct: responsibility, respect for teachers' authority, respect for other students. They pass on the culture of the country and the responsibilities of citizenship, thereby sustaining our democratic values.

Business enterprises of all kinds and descriptions are increasingly playing a prominent role in our civil society, quite apart from their critical economic role. Labor and management both have a role to play in ensuring honest value in return for fair reward, in promoting ethnical business practices and in enforcing standards of conduct in the workplace. Businesses also can provide vital support for all sorts of community efforts.

One institution demands special mention because of its size and influence, but also because it is widely criticized as undermining civic life, and that is the media. Often I hear that the media—including movies, video games, Internet sites, and television—are hostile to the values that parents want for their children.

These and other institutions are in no small measure responsible for the country's success. The concern is that many of them are eroding.

I frequently ask Hoosier audiences what the United States is all about. One theme that comes through is that this is a country that should permit every person the opportunity to become the best they can become. Civil society helps advance that goal. The purpose of government and the other institutions of our society is to help foster the conditions to permit individuals to achieve their

highest potential, to flourish and to prosper, and live positive and constructive lives.

So a primary challenge in the country today is neither governmental nor economic, but moral. It is to strengthen our families, improve our communities, permit our religious institutions to flourish, encourage voluntary civic organizations, support the arts, and place great emphasis on education, including character education programs. We must ensure that business, labor, and other community leaders understand their role in providing for the overall health of society, and encourage the media to be mindful of the effects of inappropriate violent and sexual content on young people.

The Founding Fathers were not afraid to speak of virtue and the role that individuals must play for a democratic society to flourish. The essential product in the foundation of a democratic nation is good and responsible people.

IN TRIBUTE

SPEECH OF

HON. JOSEPH R. PITTS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 28, 1998

Mr. PITTS. Mr. Speaker, today I rise with my colleagues to pay tribute to the valiant work and lives of two fallen heroes—J.J. Chestnut and John Gibson. The whole community here in Congress is slowly recovering from the shock of the fatal shooting of two honorable Capitol Hill policemen just under a week ago. It is disturbing and sad that this happened.

Just 10 short minutes after the House adjourned for the weekend last Friday, bedlam and terror engulfed the Capitol of the United States. An armed gunman entered the Capitol—and who knows what his intent was. Were it not for the valiant efforts of two brave Capitol Police Officers, many lives of staff, tourists, and Members of Congress could have been lost.

We cannot quite fathom the implications of the bravery of these two men. Those of us who work here can attest to the commitment of the Capitol Police force. Yet, we're never really ready for something like this.

Scripture tells us that ''there is no greater love than this, that a man would lay down his life for a friend.'' Where terror struck, these two men knew exactly how to respond. Officers J.J. Chestnut and John Gibson have paid the supreme sacrifice for their friends by giving their lives.

They represent the finest among us—officers who protect our freedom, our Capitol, our system of government, our way of life. It is a great tragedy that they have been slain in the line of duty. But we honor them, we honor their memory, we honor their commitment. Their lives exemplify duty, honor and country.

J.J. Chestnut and John Gibson are American heroes. Our thoughts and prayers are with their families and loved ones.

SCHOOL SAFETY

HON. KAREN McCARTHY

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 29, 1998

Ms. McCARTHY of Missouri. Mr. Speaker, I rise today to support the special White House school safety summit called by President Clinton for October. This conference will bring together educators, law enforcement officials, and parents to discuss methods for ensuring school safety.

Our children are our future, and we must do everything we can to guarantee them a safe learning environment in our public schools. Unfortunately, many school children today face threats on a daily basis in their schools—if not more tragic acts, such as the recent shootings on school grounds.

It is also important to recognize that every day, all across America, children are being threatened, harassed, and beaten. President Clinton quoted statistics showing that three out of four students claim that they have trouble with disruptive classmates. These children are not able to fulfill their full potential because they are too afraid or distracted to focus on learning.

Problem students who show constant disregard for teachers' classroom rules cause disorder that prohibits learning. The National Center for Education Statistics reports that in 1993–94, 23.6% of public school teachers indicated that student disrespect for teachers is a serious problem. When teachers are not in control, their morale is lowered, the students are afraid, and the time spent in school is wasted.

Perhaps even more distressing are the students who simply do not attend school. Truancy leads to many criminal acts, including drug and alcohol use, gang activity, and violence. Further, truant students are not learning. When our children don't go to school, not only their own future, but also our country's future is threatened.

I am a cosponsor of H.R. 4009, which will combat juvenile crime in our schools and amend the Omnibus Crime Control and Safe Streets Act of 1968. This bill encourages school based partnerships between local law enforcement agencies and school systems. Federal funding would be provided to hire School Resource Officers, who would work with the school to proactively address crime in the school.

I am also a cosponsor of H.R. 2408, the After School Education and Safety Act of 1997, which would provide children with a safe and supervised place at the end of the school day. Safe places are especially important in the hours after school because this time frame poses the greatest risk for juveniles to be affected by criminal behavior. This bill would also create enrichment programs for the children to participate in, to increase their academic success and improve their intellectual, social, physical, and cultural skills.

We must commit ourselves to taking responsibility for our children's educational future. Parents, teachers, and community leaders must work together to provide a safe and stimulating learning environment for our students. Our children deserve the best possible education we can provide, and they deserve to learn and grow in a safe environment.

In my district, schools are using a variety of programs to keep kids safe. The Kansas City School District has used the ''Growing Healthy'' program in elementary schools for the last three years. This program utilizes materials on conflict resolution and violence prevention, but its main focus is on mental and physical health awareness.

In Independence, Missouri, schools use a program developed by Alvin Brooks of the Ad Hoc Group Against Crime titled, ''Stop the Violence,'' which includes a series of videos and speakers. In Fort Osage, schools have designed their own program to identify troubled students so as to enter them into early intervention counseling programs.

Other strategies used in my home state of Missouri to increase school safety include placing police officers in schools, training student mediators, and installing metal detectors. Metal detectors have significantly reduced the number of weapons violations in the Kansas City district. During the 1992–93 school year, more than 100 weapons violations were reported in one month. This past year, weapons violations were down to 16 in a month.

Mr. Speaker, I look forward to the ''First Annual Report on School Safety,'' which will be the result of the school safety summit. Participants in the President's summit on school safety will identify and share creative and effective solutions to the problems currently facing our public schools, such as those being implemented by Missouri school districts. I hope that my colleagues in Congress will take their ideas and concerns to heart and make school safety a top priority.

TRIBUTE IN RECOGNITION OF J. GARFIELD DEMARCO'S 60TH BIRTHDAY

HON. JIM SAXTON

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 29, 1998

Mr. SAXTON. Mr. Speaker, I rise today to pay tribute to a consultant, friend, and mentor, J. Garfield DeMarco, better known to his friends as ''Gar.'' Gar turns 60 years old today, July 29.

Garfield is well-known throughout southern New Jersey for many things, but among them three stand out: (1) his political and public policy insight, (2) his cranberry-growing prowess, and, (3) most importantly, his compassion for those less fortunate.

Garfield was born, raised, and still resides in the beautiful small town of Hammonton, New Jersey. He graduated Dartmouth College in 1959, Yale Law School in 1964, and received the Fulbright Grant for European study. Garfield was admitted to the New Jersey Bar in 1966.

Gar used his educational background and natural talents to continue the family business—cranberry growing. The business, known as A.R. DeMarco, is now the second largest cranberry growing entity in New Jersey and one of the largest in the entire Ocean Spray system with production of 140,000 barrels a year.

Mr. Speaker, Garfield also cares deeply about the community in which he lives and does business. He served as the Director of several area banks, Chairman of the Pinelands Environmental Council, and Chairman of the Burlington County Bridge Commission.

Garfield has been honored by many area civic and charitable organizations.

And, Mr. Speaker, Garfield DeMarco understands New Jersey politics better than almost anyone I've known in my 25 years of public service. I could list his political accomplishments, but it would take far too long. It's enough to say that he's served the taxpayers

of our area well, by helping to elect quality leaders on the local, county, state, and federal levels.

Mr. Speaker, J. Garfield DeMarco's first 60 years have been incredibly successful, valuable, and productive. I speak for thousands of Burlington County residents when I wish him the happiest of birthdays and a long, healthy and delightful future.

PERSONAL EXPLANATION

HON. HAROLD E. FORD, JR.

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 29, 1998

Mr. FORD. Mr. Speaker, on the dates of July 16–24, 1998, I missed the following votes due to personal business:

ON JULY 16, 1998

Rollcall No. 288, H.R. 4104, Treasury, Postal Service, Executive Office and Independent Agencies FY99 Appropriations Act, amendment by Ms. DELAURO (D–CT), I would have voted ''aye.''

Rollcall No. 289, H.R. 4104, Treasury, Postal Service, Executive Office and Independent Agencies FY99 Appropriations Act, amendment by Mr. HEFNER (D–NC), I would have voted ''nay.''

Rollcall No. 290, H.R. 4104, Treasury, Postal Service, Executive Office and Independent Agencies FY99 Appropriations Act, amendment by Ms. LOWEY (D–NY), I would have voted ''aye.''

Rollcall No. 291, H.R. 4104, Treasury, Postal Service, Executive Office and Independent Agencies FY99 Appropriations Act, amendment by Mr. SANDERS (I–VT), I would have voted ''nay.''

Rollcall No. 292, H.R. 4104, Treasury, Postal Service, Executive Office and Independent Agencies FY99 Appropriations Act, amendment by Mr. SMITH (R–NJ), I would have voted ''nay.''

Rollcall No. 293, H.R. 4104, Treasury, Postal Service, Executive Office and Independent Agencies FY99 Appropriations Act, Passage, I would have voted ''nay.''

Rollcall No. 294, H.R. 3731, Steve Schiff Auditorium Designation, Passage, I would have voted ''aye.''

ON JULY 17, 1998

Rollcall No. 295, H.R. 4194, Veterans Affairs and Housing and Urban Development, and Independent Agencies FY99 Appropriations Act, amendment by Mr. STOKES (D–OH), I would have voted ''aye.''

Rollcall No. 296, H.R. 4194, Veterans Affairs and Housing and Urban Development, and Independent Agencies FY99 Appropriations Act, amendment by Mr. LAZIO (R–NY), I would have voted ''nay.''

Rollcall No. 297, H.R. 3874, Child Nutrition and WIC Reauthorization Amendments of 1998, Passage, I would have voted ''aye.''

Rollcall No. 298, H. Con. Res. 208, Expressing the Sense of Congress Regarding Access to Affordable Housing and Expansion of Homeownership Opportunities, I would have voted ''aye.''

Rollcall No. 299, H. Res. 392, Relating to the Importance of Japanese-American Relations, I would have voted ''aye.''

ON JULY 20, 1998

Rollcall No. 300, H. Con. Res. 301, Affirming the U.S. Commitment to Taiwan, I would have voted ''aye.''

Rollcall No. 301, H.R. 2183, Campaign Finance Reform, amendment by Mr. WICKER (R–MS) to Shays Substitute, I would have voted ''aye.''

Rollcall No. 302, H.R. 2183, Campaign Finance Reform, amendment by Mr. STEARNS (R–FL) to Shays Substitute, I would have voted ''nay.''

Rollcall No. 303, H.R. 2183, Campaign Finance Reform, amendment by Mr. PICKERING (R–MS) to Shays Substitute, I would have voted ''aye.''

Rollcall No. 304, H.R. 2183, Campaign Finance Reform, amendment by Mr. DELAY (R–TX) to Shays Substitute, I would have voted ''nay.''

Rollcall No. 305, H.R. 2183, Campaign Finance Reform, amendment by Mr. MCINNES (R–CO) to Shays Substitute, I would have voted ''aye.''

Rollcall No. 306, H.R. 2183, Campaign Finance Reform, amendment by Mr. PAXON (R–NY) to Shays Substitute, I would have voted ''nay.''

Rollcall No. 307, H.R. 2183, Campaign Finance Reform, amendment by Mr. HEFLEY (R–CO) to Shays Substitute, I would have voted ''nay.''

Rollcall No. 308, H.R. 2183, Campaign Finance Reform, amendment by Ms. NORTHUP (R–KY) to Shays Substitute, I would have voted ''nay.''

ON JULY 21, 1998

Rollcall No. 309, Motion to Adjourn, I would have voted ''nay.''

Rollcall No. 310, H. Res. 504, Providing for Consideration of H.R. 4193—Interior FY99 Appropriations Act, Ordering the Previous Question, I would have voted ''nay.''

Rollcall No. 311, H. Res. 504, Providing for Consideration of H.R. 4193—Interior FY99 Appropriations Act, Agreeing to the Resolution, I would have voted ''nay.''

Rollcall No. 312, H.R. 4193, Interior FY99 Appropriations Act, amendment by Ms. JOHNSON (R–CT), I would have voted ''aye.''

Rollcall No. 313, H.R. 4193, Interior FY99 Appropriations Act, amendment by Mr. SKAGGS (D–CO), I would have voted ''aye.''

Rollcall No. 314, H.R. 4193, Interior FY99 Appropriations Act, amendment by Mr. SANDERS (VT), I would have voted ''aye.''

Rollcall No. 315, H.R. 4193, Interior FY99 Appropriations Act, amendment by Mr. MCGOVERN (D–MA), I would have voted ''aye.''

ON JULY 22, 1998

Rollcall No. 317, H.J. Res. 121, To Disapprove Most-Favored-Nation Treatment to China, I would have voted ''nay.''

Rollcall No. 318, H.R. 1689, Securities Litigation Uniform Standards Act, I would have voted ''aye.''

Rollcall No. 319, H.R. 4193, Interior FY99 Appropriations Act, amendment by Mr. PARKER (R–MS), I would have voted ''nay.''

Rollcall No. 320, H.R. 4193, Interior FY99 Appropriations Act, amendment by Mr. MILLER (D–CA), I would have voted ''aye.''

ON JULY 23, 1998

Rollcall No. 321, H.R. 1122, Partial Birth Abortion Ban Act, Motion to Discharge the Committee, I would have voted ''nay.''

Rollcall No. 322, H.R. 3616, National Defense Authorization for FY99, Motion to Instruct Conferees, I would have voted ''aye.''

Rollcall No. 323, H.R. 3616, National Defense Authorization for FY99, Closing Portions of the Conference, I would have voted ''aye.''

Rollcall No. 325, H.R. 1122, Partial-Birth Abortion Ban Act, Passage, Objections of the President Notwithstanding, I would have voted ''nay.''

Rollcall No. 326, H.R. 4193, Interior Appropriations for FY99, amendment by Mr. DEFAZIO (D–OR), I would have voted ''nay.''

Rollcall No. 327, H.R. 4193, Interior Appropriations for FY99, amendment by Mr. MCDERMOTT (D–WA), I would have voted ''aye.''

Rollcall No. 328, H.R. 4193, Interior Appropriations for FY99, amendment by Mr. HINCHEY (D–NY), I would have voted ''aye.''

Rollcall No. 329, H.R. 4193, Interior Appropriations for FY99, amendment by Mr. MILLER (D–CA), I would have voted ''nay.''

Rollcall No. 330, H.R. 4193, Interior Appropriations for FY99, amendment by Mr. PAPPAS (R–NY), I would have voted ''nay.''

Rollcall No. 331, H.R. 4193, Interior Appropriations for FY99, Passage, I would have voted ''nay.''

Rollcall No. 332, H.R. 4194, VA–HUD Appropriations for FY99, amendment by Mr. OBEY (D–WI), I would have voted ''aye.''

Rollcall No. 334, H.R. 4194, VA–HUD Appropriations for FY99, amendment by Mr. WAXMAN (D–CA), I would have voted ''aye.''

ON JULY 24, 1998

Rollcall No. 335, H.Res. 509, Providing for Consideration of H.R. 4250, the Patient Protection Act, I would have voted ''nay.''

Rollcall No. 336, H.R. 4250, the Patient Protection Act, Substitute amendment by Mr. DINGELL (D–MI), I would have voted ''aye.''

Rollcall No. 337, H.R. 4250, the Patient Protection Act, On Motion to Table the Appeal of the Ruling of the Chair, I would have voted ''nay.''

Rollcall No. 338, H.R. 4250, the Patient Protection Act, On Motion to Recommit with Instructions, I would have voted ''aye.''

Rollcall No. 339, H.R. 4250, the Patient Protection Act, Passage, I would have voted ''nay.''

IN TRIBUTE

SPEECH OF

HON. CARLOS A. ROMERO-BARCELÓ

OF PUERTO RICO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 28, 1998

Mr. ROMERO-BARCELÓ. Mr. Speaker, I would like to extend the heartfelt sympathy of the citizens of Puerto Rico for the families, friends, and colleagues of Officer Jacob Chestnut and Special Agent John Gibson, the Capitol Hill police officers who were tragically killed on June 24. These two officers sacrificed their lives to ensure the safety of the Senators, Representatives, staff and visitors to the U.S. Capitol. For this, we will be forever grateful. I hope their families can take some solace in the knowledge that their fellow Americans hold these heroic men in the very highest regard for their courageous actions.

In times of tragedy and sorrow I turn to prayer and I hope the families of Special Agent Gibson and Officer Chestnut can take comfort in the 23rd Psalm:

The Lord is my shepherd; I shall not want.
He maketh me to lie down in green pastures:
He leadeth me beside the still waters.
He restoreth my soul: He leadeth me in the paths of righteousness for his name's sake.

Yea, though I walk through the valley of the shadow of death, I will fear no evil: for thou art with me; thy rod and thy staff they comfort me.
Thou preparest a table before me in the presence of mine enemies: thou anointest my head with oil; my cup runneth over.
Surely goodness and mercy shall follow me all the days of my life: and I will dwell in the house of the Lord for ever.

A TRIBUTE TO THOMAS K. CULLEN OF LONG ISLAND

HON. MICHAEL P. FORBES

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 29, 1998

Mr. FORBES. Mr. Speaker, I rise today in this historic chamber to pay tribute to Thomas K. Cullen of Bellport, Long Island. As the President of the Board of Directors and Chairman of the Fundraising Committee for Little Flower Family Services, Tom Cullen has worked tirelessly and given so much of his own time, talents and resources so that the most vulnerable members of our Long Island community, the young children who have lost their parents, will receive the care and education they need to succeed in life.

This Friday evening, Tom Cullen will be honored by Little Flower Family Services with the ''Children's Hope Award'' for his seemingly tireless efforts on behalf of orphaned children. I ask my colleagues here in the People's House to join that chorus of praise from the Little Flower family, and it is truly a family in every sense of the word.

No organization is more deserving of Tom Cullen's good work than Little Flower Family Services. Over the past seven decades, Little Flower has given shelter to orphaned youngsters of all races, ages and religions from throughout Long Island and New York City. Under Monsignor John Fagan's leadership, Little Flower is dedicated to finding loving, nurturing families for the children in his care. Until that time when each child is placed in a caring and supporting home, Little Flower is their family.

Tom Cullen's commitment to providing the children of Little Flower the familial love and support every child deserves is deeply rooted in his own strong sense of family. Cullen is the name behind the King Kullen Grocery Company, Long Island's own supermarket. Carrying on the work ethic practiced by his grandfather—company founder Michael J. Cullen—Tom learned the grocery business working his way up through several stores, and now serves as Vice President of Government and Industry Relations.

Tom's commitment to Little Flower began with his parents, James and Florence Cullen, who encouraged their children to reach out and help Monsignor Fagan and his Little Flower staff rescue those children who are alone in this world. In 1982, Tom and his brothers James and Brian started the ''James A. Cullen Memorial Golf and Tennis Outing'' to raise funds for Little Flower's mission. In 15 years, this annual event has raised $1.5 million for Little Flower's Adoption Program and the Residential Treatment Center in Wading River, Long Island. They have also initiated the Cullen Family Scholarship Program that has made it possible for nearly 100 Little Flower children to pursue their college education.

And so Mr. Speaker, I ask my colleagues in the U.S. House of Representatives to join me and the Little Flower family in honoring Tom Cullen for his invaluable contributions of time, talents and hard work. Though their young lives have often seen tragedy and heartbreak, the children of Little Flower are truly blessed to have a guardian angel like Tom Cullen working for them.

IN TRIBUTE

SPEECH OF

HON. ROBERT L. EHRLICH, JR.

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 28, 1998

Mr. EHRLICH. Mr. Speaker, below is the text of a poem written by Mr. Albert Caswell. Mr. Caswell, a longtime Maryland resident, outstanding collegiate athlete, and historian with the U.S. Capitol Guide Service, was profoundly moved by the heroism and sacrifice displayed by U.S. Capitol Police Officers J. J. Chestnut and John Gibson during last week's assault on the Capitol. He set his thoughts to paper in loving tribute of these two fine and brave souls who selflessly and unflinchingly laid down their lives for their country. it is my pleasure to submit his words into the CONGRESSIONAL RECORD.

UP TO THE LORD THEY DID FLY

On one bright, warm, and wonderful sunny day in July,
Two great American heroes would lay down their lives.
People stunned and confused, asking the eternal question . . . Why?
Few noticed on that day as two bright lights were heading up into the sky.
As straight up to heaven, their souls . . . Up to the Lord they did fly.

For in this World no woman, nor man . . . Knows their date . . . Their time,
When one's life passage . . . So precious . . . Will end without reason or rhyme.
Until tested, acting on a clarion call, will we be the one ever standing tall . . . While in death's line.
Yes, on this day two great American heroes, . . . This our nation's heart did find.
As straight up to heaven, their souls . . . Up to the Lord they did fly.

Children and wives now without husband or dad, oh how unjust . . . So very sad.
No greater act of courage is to be, as in the line of one's duty . . . Gallantly forsaken the life you have. For all those spared, remember how they cared, hold in your hearts the good not bad.
In God's kingdom, 'one's life, no greater gift could ever be', rejoice they are now with the Lord, be glad As straight up to heaven, their souls . . . Up to the Lord they did fly.
To the children, wives, who have lost the ones so close, your loved ones sacrifice means everything . . . The most a Rev. King, Rembrandt, or a woman who might one day save our World, from these acts we may soon boast. Families hugging & crying . . . Still intact, because these heroes lay dying, death this day came so very close. The names Chestnut & Gibson we now carry ever in our hearts . . .Just everything . . . All . . . For they gave the most. Surely those two bright lights heading up into the sky . . . This day . . . Were but their souls, as straight Up to heave with the Lord they did fly.

To the families, our hearts, our prayers, our thoughts with you,
We cherish the honor and great privilege to have known and served
With such men of character, and all the heroes in blue who
Showed all their true and great worth
May God bless you.

ALBERT CASWELL
U.S. Capitol Guide Service.

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Meetings scheduled for Thursday, July 30, 1998, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

JULY 31

9:00 a.m.
Agriculture, Nutrition, and Forestry
To hold hearings on pending nominations.
SR–332

9:30 a.m.
Special on SPECIAL COMMITTEE ON THE YEAR 2000 TECHNOLOGY PROBLEM
To hold hearings to examine the Y2K status of the telecommunications industry.
SD–192

10:00 a.m.
Banking, Housing, and Urban Affairs
To hold oversight hearings on mandatory arbitration agreements in employment contracts in the securities industry.
SD–538

Judiciary
To hold hearings to examine issues with regard to physician assisted suicide.
SD–226

SEPTEMBER 2

9:30 a.m.
Commerce, Science, and Transportation
To hold hearings to examine the impact of United States satellite technology transfer to China.
SR–253

SEPTEMBER 10

9:30 a.m.
Commerce, Science, and Transportation
Communications Subcommittee
To hold hearings on S. 2365, to promote competition and privatization in satellite communications.
SR–253

OCTOBER 6

9:30 a.m.
Veterans' Affairs
To hold joint hearings with the House Committee on Veterans Affairs on the legislative recommendations of the American Legion.
345 Cannon Building

POSTPONEMENTS

JULY 30

9:30 a.m.
Commerce, Science, and Transportation
Communications Subcommittee
To hold hearings to examine international satellite reform.
SR–253

10:00 a.m.
Commission on Security and Cooperation in Europe
To hold joint hearings with the House Committee on International Relations to examine issues relating to religious intolerance in Europe.
2172 Rayburn Building

Daily Digest

HIGHLIGHTS

House passed H.R. 4194, VA, HUD Appropriations.

House agreed to the conference report on H.R. 629, Texas Low-Level Radioactive Waste Disposal Compact.

House passed H.R. 3506, to awarded a Congressional Gold Medal to Gerald and Betty Ford.

House agreed to the conference report on H.R. 4059, Military Construction Appropriations.

House passed H.R. 4328, Transportation Appropriations.

House Committees ordered reported 13 sundry measures.

Senate

Chamber Action

Routine Proceedings, pages S9163–S9321

Measures Introduced: Three bills and one resolution were introduced, as follows: S. 2368–2370, and S. Res. 259. **Page S9243**

Measures Reported: Reports were made as follows:

S. 1222, to catalyze restoration of estuary habitat through more efficient financing of projects and enhanced coordination of Federal and non-Federal restoration programs, with an amendment in the nature of a substitute. (S. Rept. No. 105–273)

Report to accompany S. 512, to amend Chapter 47 of title 18, United States Code, relating to identity fraud. (S. Rept. No. 105–274)

S. 1978, to designate the auditorium located within the Sandia Technology Transfer Center in Albuquerque, New Mexico, as the ''Steve Schiff Auditorium''. (S. Rept. No. 105–275)

H.R. 3453, to designate the Federal Building and Post Office located at 100 East B Street, Casper, Wyoming, as the ''Dick Cheney Federal Building''. **Page S9243**

Measures Passed:

Lao People's Democratic Republic Human Rights: Senate agreed to S. Res. 240, expressing the sense of the Senate with respect to democracy and human rights in the Lao People's Democratic Republic, after agreeing to committee amendments. **Pages S9317–18**

Afghanistan Human Rights: Senate agreed to S. Con. Res. 97, expressing the sense of Congress concerning the human rights and humanitarian situation facing the women and girls of Afghanistan, after agreeing to committee amendments. **Page S9318**

Food Bank Volunteers: Committee on Labor and Human Resources was discharged from further consideration of H.R. 3152, to provide that certain volunteers at private non-profit food banks are not employees for purposes of the Fair Labor Standards Act of 1938, and the bill was then passed, clearing the measure for the President. **Page S9318**

Treasury/Postal Service Appropriations, 1999: Senate continued consideration of S. 2312, making appropriations for the Treasury Department, the United States Postal Service, the Executive Office of the President, and certain Independent Agencies, for the fiscal year ending September 30, 1999, taking action on amendments proposed thereto, as follows: **Pages S9163–S9238**

Adopted:

Thompson Amendment No. 3353, to require the addition of use of forced or indentured child labor to the list of grounds on which a potential contractor may be debarred or suspended from eligibility for award of a Federal Government contract. **Pages S9163, S9200–07**

Abraham Modified Amendment No. 3362, to require Federal agencies to assess the impact of policies and regulations on families. **Pages S9179–81, S9183, S9209**

Wellstone Amendment No. 3373 (to amendment No. 3362), to prevent Congress from enacting legislation which fails to address the legislation's impact on family well-being and on children.

Pages S9201, S9207–09

Campbell (for Mack/Graham) Amendment No. 3363, to provide for a land conveyance to the University of Miami, comprising the United States Naval Observatory/Alternate Time Service Laboratory. **Page S9181**

Campbell (for Jeffords/Landrieu/Dodd/Kohl) Amendment No. 3364, to establish requirements for the provision of child care in Federal facilities.

Pages S9181–83

Hatch/Biden Amendment No. 3367, to extend the authorization for the Office of National Drug Control Policy until September 30, 2002, and to expand the responsibilities and powers of the Director of National Drug Control Policy. **Pages S9185–87**

DeWine Amendment No. 3354, to prohibit the use of funds to pay for an abortion or pay for the administrative expenses in connection with certain health plans that provide coverage for abortions.

Pages S9187–90, S9199

Campbell (for Graham) Amendment No. 3368, to provide for the adjustment of status of certain Haitian nationals. **Pages S9191–93**

Campbell (for Lautenberg) Amendment No. 3369, to express the sense of Congress that a postage stamp should be issued honoring Oskar Schindler.

Page S9193

Reid (for Snowe/Reid) Modified Amendment No. 3370, to improve access to FDA-approved prescription contraceptives or devices. **Pages S9193–99**

Reid Amendment No. 3371 (to Amendment No. 3370), to provide a rule of construction relating to coverage. **Pages S9198–99**

Campbell (for Dorgan) Amendment No. 3372, to require a study of the conditions under which certain grain products may be imported into the United States, and to require a report to Congress.

Page S9200

Bingaman Amendment No. 3376, to provide emergency authority to the Secretary of Energy to purchase oil for the Strategic Petroleum Reserve.

Pages S9210–11, S9213–14

Campbell (for Durbin) Amendment No. 3377, to express the sense of Congress that a postage stamp should be issued honoring the 150th anniversary of Irish immigration to the United States that resulted from the Irish Famine of 1845–1850. **Pages S9214–15**

Baucus Amendment No. 3378, to establish guidelines for the relocation, closing, or consolidation of post offices. (By 21 yeas to 76 nays (Vote No. 245), Senate earlier failed to table the amendment.)

Pages S9215–18

Campbell (for Wellstone) Amendment No. 3382, to designate the building of the United States Postal Service located at 180 East Kellogg Boulevard in Saint Paul, Minnesota, as the ''Eugene J. McCarthy Post Office Building''. **Page S9224**

Campbell (for Thompson) Amendment No. 3357, to promote the public's right to know about Federal regulatory programs, improve the quality of Government, and increase Government accountability.

Pages S9224–26

Domenici/Bingaman/Coverdell/Cleland Amendment No. 3384, to provide funding for the Federal Law Enforcement Training Center. **Page S9227**

Campbell Amendment No. 3388, to provide funding for Customs drug interdiction and High Intensity Drug Trafficking Areas. **Pages S9231–32**

Rejected:

Daschle Amendment No. 3365, to provide for marriage tax penalty relief. (By 57 yeas to 42 nays (Vote No. 243), Senate tabled the amendment.)

Pages S9183–85, S9191, S9198–99

By 46 yeas to 53 nays (Vote No. 244), Harkin Amendment No. 3374 (to Amendment No. 3353), to limit the scope of the requirement relating to inspection of a contractor's records. **Pages S9205–07**

Withdrawn:

Brownback/Ashcroft Amendment No. 3359, to provide that married couples may file a combined return under which each spouse is taxed using the rates applicable to unmarried individuals. (By 48 yeas to 51 nays (Vote No. 242), Senate earlier failed to table the amendment.) **Pages S9163–77**

Domenici/Coverdell Amendment No. 3383, to provide additional funding for the Federal Law Enforcement Training Center. **Pages S9226–27**

Pending:

McConnell Amendment No. 3379, to provide for appointment and term length for the staff director and general counsel of the Federal Election Commission. **Pages S9219–21**

Glenn Amendment No. 3380, to provide additional funding for enforcement activities of the Federal Election Commission. **Pages S9221–24**

Graham/Mack Amendment No. 3381, to provide funding for the Central Florida High Intensity Drug Trafficking Area. **Page S9224**

Stevens Amendment No. 3385, to provide for an adjustment in the computation of annuities for certain Federal officers and employees relating to average pay determinations. **Page S9228**

Campbell (for Grassley) Amendment No. 3386, to protect Federal law enforcement officers who intervene in certain situations to protect life or prevent bodily injury. **Pages S9228–30**

Harkin Amendment No. 3387, to provide additional funding to reduce methamphetamine usage in High Intensity Drug Trafficking Areas.

Pages S9230–31

Kohl (for Kerrey) Amendment No. 3389, to express the sense of the Senate regarding payroll tax relief. **Page S9232**

A unanimous-consent agreement was reached providing for further consideration of the bill and amendments to be proposed thereto, with any votes ordered to occur on Thursday, July 30, 1999.

Pages S9218–19

Department of Defense Appropriations—Agreement: A unanimous-consent agreement was reached providing for the consideration of S. 2132, making appropriations for the Department of Defense for fiscal year ending September 30, 1999, on Thursday, July 30, 1999. **Page S9321**

Securities Litigation Uniform Standards Act—Conferees: Senate disagreed to the amendment of the House to S. 1260, to amend the Securities Act of 1933 and the Securities Exchange Act of 1934 to limit the conduct of securities class actions under State law, requested a conference with the House thereon, and the Chair appointed the following conferees on the part of the Senate: Senators D'Amato, Gramm, Shelby, Sarbanes, and Dodd. **Pages S9318–20**

Messages From the President: Senate received the following messages from the President of the United States:

Transmitting the report concerning the proliferation of weapons of mass destruction; referred to the Committee on Banking, Housing, and Urban Affairs. (PM–149). **Pages S9239–40**

Transmitting the report of the District of Columbia's Fiscal Year 1999 Budget Request Act; referred to the Committee on Governmental Affairs. (PM–150). **Page S9240**

Transmitting the report concerning the ongoing efforts to meet the goals set forth in the Dayton Accords; referred to the Committee on Foreign Relations. (PM–151). **Page S9240**

Transmitting the report concerning the continuation of the national emergency with respect to Iraq; referred to the Committee on Banking, Housing, and Urban Affairs. (PM–152). **Pages S9240–41**

Transmitting the annual report of the Corporation for Public Broadcasting for fiscal year 1997; referred to the Committee on Commerce, Science, and Transportation. (PM–153). **Page S9241**

Nominations Received: Senate received the following nominations:

Norine E. Noonan, of Florida, to be an Assistant Administrator of the Environmental Protection Agency.

Patricia T. Montoya, of New Mexico, to be Commissioner on Children, Youth, and Families, Department of Health and Human Services.

James M. Bodner, of Virginia, to be Deputy Under Secretary of Defense for Policy.

Eugene A. Conti, Jr., of Maryland, to be an Assistant Secretary of Transportation.

Gregory H. Friedman, of Colorado, to be Inspector General of the Department of Energy.

Harry Litman, of Pennsylvania, to be United States Attorney for the Western District of Pennsylvania for the term of four years.

Paul M. Warner, of Utah, to be United States Attorney for the District of Utah for the term of four years.

2 Air Force nominations in the rank of general.

1 Marine Corps nomination in the rank of general.

1 Navy nomination in the rank of admiral.

Page S9321

Messages From the President: **Pages S9239–41**

Messages From the House: **Page S9241**

Measures Placed on Calendar: **Page S9241**

Communications: **Pages S9241–43**

Executive Reports of Committees: **Page S9243**

Statements on Introduced Bills: **Pages S9243–53**

Additional Cosponsors: **Pages S9254–55**

Amendments Submitted: **Pages S9255–72**

Authority for Committees: **Pages S9272–73**

Additional Statements: **Pages S9273–79**

Text of S. 2260 as Previously Passed: **Pages S9279–S9317**

Record Votes: Four record votes were taken today. (Total—245) **Pages S9177, S9199, S9207, S9218**

Adjournment: Senate convened at 9:30 a.m., and adjourned at 9:59 p.m., until 9 a.m., on Thursday, July 30, 1998. (For Senate's program, see the remarks of the Acting Majority Leader in today's Record on page S9321)

Committee Meetings

(Committees not listed did not meet)

AGRICULTURE REORGANIZATION

Committee on Agriculture, Nutrition and Forestry: Committee concluded oversight hearings to examine the Department of Agriculture's progress in consolidating and downsizing its operations, after receiving

testimony from Richard E. Rominger, Deputy Secretary of Agriculture; and Lawrence J. Dyckman, Director, Food and Agriculture Issues, Resources, Community, and Economic Development Division, General Accounting Office.

BUSINESS MEETING

Committee on Commerce, Science, and Transportation: Committee ordered favorably reported the following business items:

The nominations of Kelley S. Coyner, of Virginia, to be Administrator of the Research and Special Programs Administration, Department of Transportation, and Diane D. Blair, of Arkansas, and Ritajean H. Butterworth, of Washington, each to be a Member of the Board of Directors of the Corporation for Public Broadcasting;

S. 2107, to enhance electronic commerce by promoting the reliability and integrity of commercial transactions through establishing authentication standards for electronic communications, with an amendment in the nature of a substitute;

S. 2217, to provide for continuation of the Federal research investment in a fiscally sustainable way, with an amendment in the nature of a substitute. (As approved by the committee, the amendment authorizes funds for fiscal years 1999 through 2010.);

S. 2120, to improve the ability of Federal agencies to license federally-owned inventions, with an amendment;

S. 2119, to amend the Amateur Sports Act to strengthen provisions protecting the right of athletes to compete, recognize the Paralympics and growth of disabled sports, and improve the U.S. Olympic Committee's ability to resolve certain disputes, with an amendment in the nature of a substitute;

S. 1802, to authorize funds for programs of the Surface Transportation Board, with an amendment in the nature of a substitute. (As approved by the committee, the amendment authorizes $16,190,000 for fiscal year 1999.); and

S. 2360, to authorize funds for the National Oceanic and Atmospheric Administration, with amendments. (As approved by the committee, the bill will authorize funds for fiscal years 1999 through 2003.)

BUSINESS MEETING

Committee on Energy and Natural Resources: Committee ordered favorably reported the following business items:

The nomination of Bill Richardson, of New Mexico, to be Secretary of Energy;

S. 1978, to designate the auditorium located within the Sandia Technology Transfer Center in Albuquerque, New Mexico, as the ''Steve Schiff Auditorium'';

H.R. 2493, to establish a mechanism by which the Secretary of Agriculture and the Secretary of the Interior can provide for uniform management of livestock grazing on Federal lands;

S. 1719, to direct the Secretary of Agriculture and the Secretary of the Interior to exchange land and other assets with Big Sky Lumber Co., with an amendment in the nature of a substitute;

H.R. 3830, to provide for the exchange of certain lands within the State of Utah;

H.R. 2886, to provide for a demonstration project in the Stanislaus National Forest, California, under which a private contractor will perform multiple resource management activities for that unit of the National Forest System, with an amendment;

H.R. 3796, to authorize the Secretary of Agriculture to convey the administrative site for the Rogue River National Forest and use the proceeds for the construction or improvement of offices and support buildings for the Rogue River National Forest and the Bureau of Land Management, with an amendment;

H.R. 1663, to clarify the intent of the Congress in Public Law 93–632 to require the Secretary of Agriculture to continue to provide for the maintenance of 18 concrete dams and weirs that were located in the Emigrant Wilderness at the time the wilderness area was designated as wilderness in that Public Law;

S. 2087, to authorize the Secretary of the Interior to convey certain works, facilities, and titles of the Gila Project, and designated lands within or adjacent to the Gila Project, to the Wellton-Mohawk Irrigation and Drainage District, with an amendment;

S. 1398, to extend certain contracts between the Bureau of Reclamation and irrigation water contractors in Wyoming and Nebraska that receive water from Glendo Reservoir, with an amendment;

S. 2171, to extend the deadline under the Federal Power Act applicable to the construction of a hydroelectric project in the State of Arkansas;

S. 2232, to establish the Little Rock Central High School National Historic Site in the State of Arkansas, with an amendment in the nature of a substitute;

S. 1016, to authorize funds through fiscal year 2004 for the Coastal Heritage Trail Route in New Jersey;

S. 1333, to amend the Land and Water Conservation Fund Act of 1965 to allow national park units that cannot charge an entrance or admission fee to retain other fees and charges, with an amendment in the nature of a substitute;

S. 2039, to designate the El Camino Real de Tierra Adentro, 404-mile trail from the Rio Grande River near El Paso, Texas, to San Juan Pueblo, New

Mexico, as a component of the National Trails System;

S. 2106, to expand the boundaries of Arches National Park, Utah, to include portions of certain drainages that are under the jurisdiction of the Bureau of Land Management, and to include a portion of Fish Seep Draw owned by the State of Utah, with an amendment;

S. 2129, to eliminate restrictions on the acquisition of certain land contiguous to Hawaii Volcanoes National Park;

S. 469, to designate a portion of the Sudbury, Assabet, and Concord Rivers as a component of the National Wild and Scenic River System, with an amendment;

H.R. 2186, to authorize the Secretary of the Interior to provide assistance to the National Historic Trails Interpretive Center in Casper, Wyoming;

S. 1408, to establish the Lower East Side Tenement National Historic Site;

S. 1665, to authorize funds for programs of the Delaware and Lehigh Navigation Canal National Heritage Corridor Act, with amendments;

S. 1718, to amend the Weir Farm National Historic Site Establishment Act of 1990 to authorize the acquisition of additional acreage for the historic site to permit the development of visitor and administrative facilities and to authorize the appropriation of additional amounts for the acquisition of real and personal property, with an amendment;

S. 1990, to authorize expansion of Fort Davis National Historic Site in Fort Davis, Texas;

S. 2109, to provide for an exchange of lands located near Gustavus, Alaska, with an amendment in the nature of a substitute;

S. 2272, to amend the boundaries of Grant-Kohrs Ranch National Historic Site in the State of Montana; and

S. 2276, to amend the National Trails System Act to designate El Camino Real de los Tejas as a National Historic Trail, with amendments.

BUSINESS MEETING

Committee on Environment and Public Works: Committee ordered favorably reported the following bills:

S. 2131, to provide for the conservation and development of water and related resources, and to authorize the Secretary of the Army to construct various projects for improvements to rivers and harbors of the United States, with an amendment in the nature of a substitute;

S. 2364, to authorize funds for fiscal years 1999 through 2003 and make reforms to programs authorized by the Public Works and Economic Development Act of 1965;

S. 2361, to amend the Robert T. Stafford Disaster Relief and Emergency Assistance Act to authorize programs for predisaster mitigation, to streamline the administration of disaster relief, and to control the Federal costs of disaster assistance, with amendments;

S. 2359, to authorize funds for fiscal years 1999 through 2004 for programs of the National Environmental Education Act;

S. 2317, to improve the National Wildlife Refuge System, with an amendment; and

H.R. 3453, to designate the Federal Building and Post Office located at 100 East B Street, Casper, Wyoming, as the ''Dick Cheney Federal Building''.

WORK INCENTIVES IMPROVEMENT ACT

Committee on Finance: Subcommittee on Social Security and Family Policy held hearings on S. 1858, to amend the Social Security Act to provide individuals with disabilities with incentives to become economically self-sufficient, focusing on health care barriers that prevent citizens with disabilities from working, receiving testimony Senators Harkin and Kennedy; former Senator Dole; Cynthia M. Fagnoni, Director, Income Security Issues, Health, Education, and Human Services Division, General Accounting Office; Paul Van de Water, Assistant Director, Budget Analysis Division, Congressional Budget Office; T. Jeff Bangsberg, Becklund Home Health Care, Minneapolis, Minnesota, on behalf of the Minnesota Consortium for Citizens with Disabilities; Allan I. Bergman, United Cerebral Palsy Associations, Inc., Washington, D.C.; Brian Irish, Burlington, Vermont; and Nancy Becker Kennedy, Los Angeles, California.

Hearings were recessed subject to call.

SATELLITE EXPORT LICENSING

Committee on Governmental Affairs: Subcommittee on International Security, Proliferation, and Federal Services concluded hearings to examine the process by which commercial communications satellites are licensed for launch by foreign countries, after receiving testimony from C. Michael Armstrong, AT&T, Basking Ridge, New Jersey, and Chairman, President's Export Council; and Steven D. Dorfman, Hughes Electronics Corporation, Arlington, Virginia.

PUNITIVE DAMAGE AWARDS

Committee on the Judiciary: Committee held hearings on S. 1554, to provide for relief from excessive punitive damage awards in cases involving primarily financial loss by establishing rules for proportionality between the amount of punitive damages and the amount of economic loss, receiving testimony from Senator Lieberman; Mark E. Dapier, Mercury Finance Company, Lake Forest, Illinois; Timothy A.

Lambirth, Ivanjack & Lambirth, Los Angeles, California; Peter D. Zeughauser, ClientFocus, Newport Beach, California; George L. Priest, Yale University Law School, New Haven, Connecticut; and Jeff Jinnett, LeBoeuf Computing Technologies, New York, New York.

Hearings were recessed subject to call.

INS REFORM

Committee on the Judiciary: Subcommittee on Immigration concluded oversight hearings to examine the structure of the law enforcement activities of the Immigration and Naturalization Service, after receiving testimony from Doris Meissner, Commissioner, and Ron Sanders, Chief Patrol Agent, United States Border Patrol (Tucson, Arizona), on behalf of the Chief Patrol Agents' Association, both of the Immigration and Naturalization Service, Department of Justice; and Richard J. Gallo, Federal Law Enforcement Officers Association, East Northport, New York.

BUSINESS MEETING

Committee on Labor and Human Resources: Committee ordered favorably reported S. 1380, to authorize funds for titles VI and X of the Elementary and Secondary Education Act to expand the implementation of public charter schools, with an amendment.

Also, committee resumed markup of S. 2213, to allow all States to participate in activities under the Education Flexibility Partnership Demonstration Act, but did not complete action thereon, and will meet again tomorrow.

WENDELL H. FORD GOVERNMENT PUBLICATIONS REFORM ACT

Committee on Rules and Administration: Committee concluded hearings on S. 2288, to provide for the reform and continuing legislative oversight of the production, procurement, dissemination, and permanent public access of the Government's publications, after receiving testimony from Michael F. DiMario, Public Printer, and George E. Lord, Chairman, Joint Council of GPO Unions, both of the Government Printing Office; Barbara J. Ford, Virginia Commonwealth University, Richmond, on behalf of the American Library Association; Daniel P. O'Mahony, Brown University, Providence, Rhode Island, on behalf of the Inter-Association Working Group on Government Information Policy; Benjamin Y. Cooper, Printing Industries of America, Inc., Alexandria, Virginia; and Robert L. Oakley, Georgetown University Law Center, on behalf of the American Association of Law Libraries, Daniel C. Duncan, Information Industry Association, Patrice McDermott, OMB Watch, and William J. Boarman, Communications Workers of America/AFL–CIO, all of Washington, D.C.

BUSINESS MEETING

Committee on Indian Affairs: Committee ordered favorably reported the following bills:

S. 1905, to provide for equitable compensation for the Cheyenne River Sioux Tribe, with an amendment in the nature of a substitute;

H.R. 3069, to extend the Advisory Council on California Indian Policy to allow the Advisory Council one year to advise Congress on the implementation of its recommendations, with an amendment;

S. 1770, to elevate the position of Director of the Indian Health Service to Assistant Secretary of Health and Human Services, and to provide for the organizational independence of the Indian Health Service within the Department of Health and Human Services, with an amendment in the nature of a substitute;

S. 391, to provide for the disposition of certain funds appropriated to pay judgment in favor of the Mississippi Sioux Indians, with an amendment in the nature of a substitute; and

S. 1419, to deem the activities of the Miccosukee Tribe on the Tamiani Indian Reserve to be consistent with the purposes of the Everglades National Park, with an amendment in the nature of a substitute.

INTELLIGENCE

Select Committee on Intelligence: Committee held closed hearings on intelligence matters, receiving testimony from officials of the intelligence community.

Committee recessed subject to call.

House of Representatives

Chamber Action

Bills Introduced: 11 public bills, H.R. 4342–4352; and 1 resolution, H. Res. 512, were introduced.

Pages H6696–97

Reports Filed: Reports were filed today as follows:

H.J. Res. 120, disapproving the extension of the waiver authority contained in section 402(c) of the Trade Act of 1974 with respect to Vietnam (H. Rept. 105–653);

H.R. 3482, to designate the Federal building located at 11000 Wilshire Boulevard in Los Angeles, California, as the ''Abraham Lincoln Federal Building'' (H. Rept. 105–654);

H.R. 3598, to designate the Federal building located at 700 East San Antonio Street in El Paso, Texas, as the ''Richard C. White Federal Building'' (H. Rept. 105–655);

S. 2032, to designate the Federal building in Juneau, Alaska, as the ''Hurff A. Saunders Federal Building'', amended (H. Rept. 105–656);

H.R. 3736, to amend the Immigration and Nationality Act to make changes relating to H–B nonimmigrants, amended (H. Rept. 105–657);

H. Res. 507, providing special investigative authority for the Committee on Education and the Workforce (H. Rept. 105–658); and

Conference report on H.R. 1385, to consolidate, coordinate, and improve employment, training, literacy, and vocational rehabilitation programs in the United States (H. Rept. 105–659).

Page H6604–94, H6696

Order of Proceedings: Agreed by unanimous consent that it be in order at any time on the legislative day of Thursday, July 30, 1998, to consider in the House the joint resolution, H.J. Res.120, disapproving the extension of the waiver authority contained in section 402(c) of the Trade Act of 1974 with respect to Vietnam; that the joint resolution be considered as read for amendment; that all points of order against the joint resolution and against its consideration be waived; and that the joint resolution be debatable for one hour equally divided and controlled. **Page H6535**

Texas Low-Level Radioactive Waste Disposal Compact: The House agreed to the conference report on H.R. 629, to grant the consent of the Congress to the Texas Low-Level Radioactive Waste Disposal Compact by yea and nay vote of 305 yeas to 117 nays, Roll No. 344. **Pages H6522–35**

H. Res. 511, the rule waiving points of order against the conference report was agreed to by yea and nay vote of 313 yeas to 108 nays, Roll No. 343. **Pages H6516–22**

VA, HUD, Appropriations: The House passed H.R. 4194, making appropriations for the Departments of Veterans Affairs and Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 1999 by a yea and nay vote of 259 yeas to 164 nays, Roll No. 352. **Pages H6535–92**

Rejected the Obey motion to recommit the bill to the Committee on Appropriations with instructions to report it back with an amendment that strikes language prohibiting rulemaking by the Consumer Product Safety Commission (CPSC) on chemical treatment of upholstery fabrics and strikes Section 425, adopted by the rule, that requires the CPSC to conduct a study on the toxicity of flame retardant chemicals and establish a Chronic Hazard Advisory Panel by a recorded vote of 164 ayes to 261 noes, Roll No. 351. **Pages H6590–92**

On a demand for a separate vote, agreed to the Coburn amendment, numbered 33 and printed in the Congressional Record to, increase VA medical care funding by $304 million with the offset from FHA mortgage administrative expense funding by a recorded vote of 351 ayes to 73 noes, Roll No. 350. **Pages H6589–90**

Agreed To:

The Obey amendment that reduces Veterans Health Administration medical equipment, land and structures object classifications funding by $69 million and increases medical care activities by the same amount; **Pages H6542–43**

The DeLauro amendment that prohibits funding by the Consumer Product Safety Commission to be used to develop and enforce the standard for the flammability of children's sleepware sizes 0 through 6x and 7 through 14 (contained in regulations published at 16 CFR part 1615 and part 1616) as the standard was amended effective January 1, 1997; **Pages H6543–46**

The Coburn amendment, numbered 33 and printed in the Congressional Record, that increases VA medical care funding by $304 million with the offset from FHA mortgage administrative expense funding; **Pages H6546–51, H6589–90**

The Berman amendment that prohibits FEMA from transferring funding from the Kaiser Permanente Hospital in Panorama City, California under the Seismic Hazard Mitigation Program for Hospitals or to relocate the hospital to a site more than 3 miles from the current site; **Page H6551**

The Neumann amendment that prohibits any funds to be used for researching methods to reduce methane emissions from cows, sheep, or any other ruminant livestock; **Page H6551**

The Scarborough amendment, numbered 29 and printed in the Congressional Record, that prohibit funds to carry out Executive Order 13083; **Pages H6571–73**

The Hilleary amendment, numbered 32 and printed in the Congressional Record, that increases VA grants to construct state extended care facilities by $21 million and decreases the Housing Opportunities for Persons with AIDS program funding accordingly (agreed to by a recorded vote of 231 ayes to 200 noes, Roll No. 247); **Pages H6563–68 H6576–77**

The Riggs amendment, numbered 31 and printed in the Congressional Record, that prohibits any funds to be used to implement section 12B.2(b) of the Administrative Code of San Francisco, California (agreed to by a recorded vote of 214 ayes to 212 noes, Roll No. 349. **Pages H6578–88**

Rejected:

The Royce amendment, numbered 26 and printed in the Congressional Record that sought to maintain National Science Foundation funding for research at the fiscal year 1998 level of $2.5 billion; **Pages H6536–40**

The Roemer amendment, numbered 5 and printed in the Congressional Record that sought to cancel funding for the space station. The amendment was debated on July 23 (rejected by a recorded vote of 109 ayes to 323 noes, Roll No. 345); **Pages H6575–76**

The Hinchey amendment, numbered 22 and printed in the Congressional Record that sought to prohibit the use of Veterans Affairs funding to implement the Veterans Equitable Resource Allocation (VERA) system (rejected by a recorded vote of 146 ayes to 285 noes, Roll No. 346); **Pages H6551–63, H6576**

Withdrawn:

The Nadler amendment to the Hilleary amendment was offered and subsequently withdrawn that sought to offset the $21 million increase for VA extended care facilities with a decrease in Space Station funding. **Pages H6564–65**

Points of Order sustained against:

Sec. 423, that sought to require the CPSC to issue a final rule amending its Flammable Fabrics Act standards; **Page H6542**

The Bereuter amendment that sought to require the EPA, in consultation with the National Academy of Sciences, to expedite a study on the health effects of copper in drinking water. **Pages H6568–70**

Congressional Gold Medal to Gerald and Betty Ford: The House passed H.R. 3506, to award a congressional gold medal to Gerald R. and Betty Ford. **Page H6593**

Military Construction Conference Report: The House agreed to the conference report on H.R. 4059, making appropriations for military construction, family housing, and base realignment and closure for the Department of Defense for the fiscal year ending September 30, 1999 by yea and nay vote of 417 yeas to 1 nays, Roll No. 353. Earlier, agreed to consider the conference report by unanimous consent. **Pages H6593–97**

Energy and Water Appropriations: The House disagreed to the Senate amendment to H.R. 4060, making appropriations for energy and water development for the fiscal year ending September 30, 1999, and agreed to a conference. Appointed as conferees: Representatives McDade, Rogers, Knollenberg, Frelinghuysen, Parker, Callahan, Dickey, Livingston, Fazio, Visclosky, Edwards, Pastor, and Obey. **Pages H6598–H6600**

Agreed to the Vento motion to instruct conferees to disagree with the provision in Title IV of the Senate amendment, providing funding for the Denali Commission, and the provision in Title VI of the Senate amendment, the authorization for such Commission. **Pages H6598–H6600**

Presidential Messages: Read the following messages from the President:

National Emergency with Iraq: Message wherein he transmitted his report concerning the national emergency with respect to Iraq—referred to the Committee on International Relations and ordered printed (H. Doc. 105–291); **Page H6602**

Corporation for Public Broadcasting: Message wherein he transmitted the annual report of the Corporation for Public Broadcasting for FY 1997 and the Inventory of the Federal Funds Distributed to Public Telecommunications Entities by Federal Departments and Agencies for FY 1997—referred to the Committee on Commerce; **Page H6602**

Dayton Accords: Message wherein he transmitted his report concerning the benchmarks under which Dayton implementation can continue without the support of a major NATO-led military force—referred to the Committee on International Relations and ordered printed (H. Doc. 105–292);

(See next issue.)

Weapons of Mass Destruction Proliferation Activities: Message wherein he reported that he has exercised his statutory authority to issue an Executive order to amend Executive Order 12938 in order to more effectively respond to the worldwide threat of weapons of mass destruction proliferation activities—referred to the Committee on International Relations and ordered printed (H. Doc. 105–293); and **Pages H6602–03**

District of Columbia Budget Request Act: Message wherein he transmitted the District of Columbia FY 1999 Budget Request Act—referred to the Committee on Appropriations and ordered printed (H. Doc. 105–294). **(See next issue.)**

Integration of the Armed Forces: The House agreed to H. Con. Res. 294, recognizing the 50th Anniversary of the integration of the Armed Forces. Agreed to amend the preamble and the title. **Pages H6603–04**

Transportation and Related Agencies Appropriations: The House passed H.R. 4328, making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 1999 by yea and nay vote of 391 yeas to 25 nays, Roll No. 355. **(See next issue.)**

Agreed To:

The Wolf amendment that provides FAA operating funds from the Airport and Airway Trust Fund; **(See next issue.)**

The Wolf amendment that makes a technical change to insure that specified funding is available to AMTRAK; **(See next issue.)**

The Andrews amendment that prohibits any funding by the Amtrak Reform Council for outside consultants; **(See next issue.)**

The Nadler amendment that provides that only funds from obligations pursuant to sections 1601 and 1602 of the Transportation Equity Act for the 21st Century (P.L. 105–178) may be used for improvements to the Miller Highway in New York City; and **(See next issue.)**

The Roukema amendment that waives the repayment of funds expended on the construction of high occupancy lanes on I–287 in the State of New Jersey under certain conditions. **(See next issue.)**

Points of Order sustained against:

Language on page 11, line 19; page 16, line 20 through 24; page 18, line 2 through 5, and Section 339. **(See next issue.)**

The Nadler amendment that sought to prohibit the use of any funds for improvements or replacement of the Miller Highway in New York City. **(See next issue.)**

Withdrawn:

The Ackerman amendment was offered but subsequently withdrawn that sought to prohibit any funds to be obligated or expended for closing a Coast Guard station in fiscal year 1999 unless such closure has been specifically authorized by law; and

The Barr amendment was offered but subsequently withdrawn that sought to prohibit the National Transportation Highway Traffic Safety Administration from implementing a rule dealing with a national identification card. The rule implements section 656(b) of the Illegal Immigration Reform and Responsibility Act of 1996. **(See next issue.)**

Earlier, the House agreed to H. Res. 510, the rule providing for consideration of the bill by a voice vote. **Pages H6601–02**

Biomaterials Access Assurance Act of 1998: The House passed H.R. 872, to establish rules governing product liability actions against raw materials and bulk component suppliers to medical device manufacturers. Earlier, agreed to the Gekas amendment in the nature of a substitute. **(See next issue.)**

Terry Sanford Federal Building: The House passed H.R. 3982, to designate the Federal building located at 310 New Bern Avenue in Raleigh, North Carolina, as the ''Terry Sanford Federal Building''. Earlier, agreed to the amendment in the nature of a substitute. **(See next issue.)**

American Luge Association Races: The House agreed to H. Con. Res. 305, authorizing the use of the Capitol grounds for the American Luge Association Races. Earlier, agreed to the amendment in the nature of a substitute; and agreed to amend the title. **(See next issue.)**

Meeting Hour—July 30: Agreed that when the House adjourns on the legislative day of July 29, it adjourn to meet at 1:00 p.m. on Thursday, July 30. **(See next issue.)**

Meeting Hour—July 31: Agreed that when the House adjourns On Thursday, July 30, it adjourn to meet at 1:00 p.m. on Friday, July 31. **(See next issue.)**

Senate Message: Message received from the Senate appears on page H6513.

Amendments: Amendments ordered printed pursuant to the rule appear on pages H6697–H6704.

Quorum Calls—Votes: Two quorum calls (Roll No. 348, Roll No. 354), five yea and nay votes and six recorded votes developed during the proceedings of the House today and appear on pages H6522, H6534, H6575–76, H6576, H6576–77, H6587, H6587–88, H6590, H6591–92, H6592, H6597, H6600 (continued next issue).

Adjournment: The House met at 10:00 and adjourned at 1:03 a.m. on Thursday, July 30.

Committee Meetings

FOREST SERVICE COST REDUCTION AND FISCAL ACCOUNTABILITY ACT

Committee on Agriculture: Held a hearing on H.R. 4149, Forest Service Cost Reduction and Fiscal Accountability Act of 1998. Testimony was heard from Francis Pandolfi, Chief Operating Officer, Forest Service, USDA; and public witnesses.

ELECTRONIC COMMERCE

Committee on Commerce: Held a hearing on Electronic Commerce: The Global Electronic Marketplace. Testimony was heard from William M. Daley, Secretary of Commerce; and public witnesses.

MISCELLANEOUS MEASURES

Committee on Education and the Workforce: Ordered reported amended the following bills: H.R. 4241,

Head Start Amendments of 1998; H.R. 4271, Community Services Authorization Act of 1998; and H.R. 4037, to require the Occupational Safety and Health Administration to recognize that electronic forms of providing Material Safety Data Sheets provide the same level of access to information as paper copies and to improve the presentation of safety and emergency information on such Data Sheets.

JOB CORPS OVERSIGHT

Committee on Government Reform and Oversight: Subcommittee on Human Resources held a hearing on Job Corps Oversight Part II: Vocational Training Standards. Testimony was heard from Mary H. Silva, National Director, Job Corps, Department of Labor; Cornelia Blanchette, Associate Director, GAO; and public witnesses.

MIDDLE EAST—RECENT DEVELOPMENTS

Committee on International Relations: Held a hearing on Recent Developments in the Middle East. Testimony was heard from Martin Indyk, Assistant Secretary, Near East Affairs, Department of State.

SUDAN AND NORTHERN UGANDA CRISES

Committee on International Relations: Subcommittee on International Operations and Human Rights and the Subcommittee on Africa held a joint hearing on the Crises in Sudan and Northern Uganda. Testimony was heard from Susan E. Rice, Assistant Secretary, African Affairs, Department of State; and public witnesses.

CONFLICT RESOLUTION; CHIAPAS, MEXICO—SEARCH FOR PEACE

Committee on International Relations: Subcommittee on Western Hemisphere held a hearing on Conflict Resolution: Chiapas, Mexico and the Search for Peace. Testimony was heard from public witnesses.

QUALITY HEALTH-CARE COALITION ACT

Committee on the Judiciary: Held a hearing on H.R. 4277, Quality Health-Carre Coalition Act of 1998. Testimony was heard from Representative Campbell; Robert Pitofsky, Chairman, FTC; and public witnesses.

MISCELLANEOUS MEASURES; INDIAN LAND CONSOLIDATION AMENDMENT ACT

Committee on Resources: Ordered reported the following measures: H. Res. 494, expressing the sense of the House of Representatives that the United States has enjoyed the loyalty of the United States citizens of Guam, and that the United States recognizes the centennial anniversary of the Spanish-American War as an opportune time for Congress to reaffirm its commitment to increase self-government consistent with self-determination for the people of Guam; H.R. 1110, Sudbury, Iceboat, and Concord Wild and Scenic Rivers Act; H.R. 2370, amended, Guam Judicial Empowerment Act of 1997; H.R. 2776, to amend the Act entitled ''An Act to provide for the establishment of the Morristown National Historical Park in the State of New Jersey, and for other purposes'' to authorize the acquisition of property known as the Warren property; H.R. 3445, amended, Oceans Act of 1998; H.R. 4068, amended, to make certain technical corrections in laws relating to Native Americans; H.R. 4079, to authorize the construction of temperature control devices at Folsom Dam in California; and H.R. 4326, Oregon Public Lands Transfer and Protection Act of 1998.

The Committee also held a hearing on H.R. 2743, Indian Land Consolidation Amendment Act of 1997. Testimony was heard from Edward B. Cohen, Deputy Solicitor, Department of the Interior; and public witnesses.

KYOTO PROTOCOL

Committee on Small Business: Held a hearing on Kyoto Protocol: The Undermining of American Prosperity? Part 2—The Science. Testimony was heard from public witnesses.

MARINE TRANSPORTATION SYSTEM

Committee on Transportation and Infrastructure: Subcommittee on Coast Guard and Maritime Transportation held a hearing on the Needs of the U.S. Marine Transportation System: The Waterways, Ports, and Their Intermodal Connections. Testimony was heard from the following officials of the Department of Transportation: Adm. James M. Loy, Commandant, U.S. Coast Guard; and John Graykowski, Acting Administrator, Maritime Administration; Charles M. Hess, Chief, Operations Division, Directorate of Civil Works, Corps of Engineers, Department of the Army; and public witnesses.

MISCELLANEOUS MEASURES

Committee on Ways and Means: Ordered reported amended the following measures: H.R. 4342, Miscellaneous Trade and Technical Corrections Act of 1998; and H. Con. Res. 213, expressing the sense of the Congress that the European Union is unfairly restricting the importation of United States agriculture products and the elimination of such restrictions should be a top priority in trade negotiations with the European Union.

MILITARY OPERATIONS SUPPORT

Permanent Select Committee on Intelligence: Subcommittee on Technical and Tactical Intelligence met in executive session to hold a hearing on Support to Military Operations. Testimony was heard from departmental witnesses.

COMMITTEE MEETINGS FOR THURSDAY, JULY 30, 1998

(Committee meetings are open unless otherwise indicated)

Senate

Committee on Agriculture, Nutrition, and Forestry, to hold hearings to review a recent concept release by the Commodity Futures Trading Commission on over-the-counter derivatives, and on related proposals by the Treasury Department, the Board of Governors of the Federal Reserve System, and the Securities and Exchange Commission, 9 a.m., SD–106.

Committee on Banking, Housing, and Urban Affairs, business meeting, to mark up S. 1405, to provide for improved monetary policy and regulatory reform in financial institution management and activities, to streamline financial regulatory agency actions, and to provide for improved consumer credit disclosure, and to consider the nomination of Rebecca M. Blank, of Illinois, to be a Member of the Council of Economic Advisers, 10 a.m., SD–538.

Committee on Environment and Public Works, Subcommittee on Clean Air, Wetlands, Private Property, and Nuclear Safety, to hold oversight hearings on activities of the Nuclear Regulatory Commission, 9 a.m., SD–406.

Full Committee, to hold hearings on the nominations of Romulo L. Diaz, Jr., of the District of Columbia, to be Assistant Administrator for Administration and Resources Management, and J. Charles Fox, of Maryland, to be Assistant Administrator for Water, both of the Environmental Protection Agency, 2 p.m., SD–406.

Committee on Finance, to hold hearings to examine Medicare choice implementation, 10 a.m., SD–215.

Committee on Governmental Affairs, to hold hearings to examine issues in preparation for the Year 2000 Census, 10 a.m., SD–342.

Committee on the Judiciary, business meeting, to consider pending calendar business, 9:30 a.m., SD–226.

Full Committee, to hold hearings on pending nominations, 1 p.m., SD–226.

Committee on Labor and Human Resources, business meeting, to continue markup of S. 2213, to allow all States to participate in activities under the Education Flexibility Partnership Demonstration Act, 2 p.m., SD–430.

NOTICE

For a listing of Senate Committee meetings scheduled ahead, see page E1464 in today's Record.

House

Committee on Agriculture, hearing to review the state of the farm economy, 2 p.m., 1300 Longworth.

Committee on Appropriations, to mark up the District of Columbia appropriations for fiscal year 1999 and to approve revised Section 302(b) Subdivision allocations, 1 p.m., 2359 Rayburn.

Committee on Banking and Financial Services, Subcommittee on Capital Markets, Securities and Government Sponsored Enterprises, hearing on a GAO Study of HUD's Role as Mission Regulator of Fannie Mae and Freddie Mac, 2 p.m., 2128 Rayburn.

Committee on Education and the Workforce, Subcommittee on Oversight and Investigations, hearing on "The Independent Review Board Oversight of the International Brotherhood of Teamsters: Is It Effective?", 2:30 p.m., 2175 Rayburn.

Subcommittee on Workforce Protections, hearing to review the Federal Mine Safety and Health Act of 1997, 1 p.m., 2175 Rayburn.

Committee on Government Reform and Oversight, Subcommittee on Government Management, Information, and Technology, hearing on H.R. 3921, Federal Financial Assistance Management Improvement Act of 1998, 2 p.m., 2154 Rayburn.

Committee on House Oversight, to consider pending business, 3 p.m., 1310 Longworth.

Committee on the Judiciary, Subcommittee on Crime, oversight hearing on the use of controlled substances used to commit date rape, 2 p.m., 2237 Rayburn.

Subcommittee on Immigration and Claims, to mark up H.R. 4264, to establish the Bureau of Enforcement and Border Affairs within the Department of Justice; and to consider a request a report from the Immigration and Naturalization Service on a private immigration bill, 2 p.m., 2226 Rayburn.

Committee on Resources, Subcommittee on Fisheries Conservation, Wildlife and Oceans, hearing on the status of oceanographic monitoring and assessment efforts on both global and local scales, 10 a.m., 1324 Longworth.

Subcommittee on Forests and Forest Health, oversight hearing on NEPA Parity, 10 a.m., 1334 Longworth.

Committee on Transportation and Infrastructure, Subcommittee on Aviation, hearing on the Department of Transportation's African Aviation Initiative, H.R. 3741, Aviation Bilateral Accountability Act of 1998, and European Commission's preliminary position on 2 transatlantic alliances, 1 p.m., 2167 Rayburn.

Committee on Ways and Means, Subcommittee on Human Resources, hearing on Fatherhood and Welfare Reform, 11 a.m., B–318 Rayburn.

Next Meeting of the SENATE

9 a.m., Thursday, July 30

Senate Chamber

Program for Thursday: After the transaction of any morning business (not to extend beyond 9:30 a.m.), Senate will consider S. 2132, Department of Defense Appropriations, 1999.

At 2 p.m., Senate will complete consideration of S. 2312, Treasury/Postal Service Appropriations, with votes on pending amendments and passage of the bill to occur thereon.

Next Meeting of the HOUSE OF REPRESENTATIVES

1 p.m., Thursday, July 30

House Chamber

Program for Thursday: Consideration of H. Res. 507, Providing Special Investigative Authority for the Committee on Education and the Workforce;

Consideration of H.J. Res. 120, disapproving the extension of the waiver authority contained in section 402(c) of the Trade Act of 1974 with respect to Vietnam (One Hour Debate); and

Consideration of H.R. 2183, Bipartisan Campaign Integrity Act of 1997 (Continue Consideration).

Extensions of Remarks, as inserted in this issue

HOUSE

Congressional Record The public proceedings of each House of Congress, as reported by the Official Reporters thereof, are printed pursuant to directions of the Joint Committee on Printing as authorized by appropriate provisions of Title 44, United States Code, and published for each day that one or both Houses are in session, excepting very infrequent instances when two or more unusually small consecutive issues are printed at one time. ¶Public access to the Congressional Record is available online through *GPO Access,* a service of the Government Printing Office, free of charge to the user. The online database is updated each day the Congressional Record is published. The database includes both text and graphics from the beginning of the 103d Congress, 2d session (January 1994) forward. It is available on the Wide Area Information Server (WAIS) through the Internet and via asynchronous dial-in. Internet users can access the database by using the World Wide Web; the Superintendent of Documents home page address is http://www.access.gpo.gov/su_docs, by using local WAIS client software or by telnet to swais.access.gpo.gov, then login as guest (no password required). Dial-in users should use communications software and modem to call (202) 512–1661; type swais, then login as guest (no password required). For general information about *GPO Access,* contact the *GPO Access* User Support Team by sending Internet e-mail to gpoaccess@gpo.gov, or a fax to (202) 512–1262; or by calling Toll Free 1–888–293–6498 or (202) 512–1530 between 7 a.m. and 5 p.m. Eastern time, Monday through Friday, except for Federal holidays. ¶The Congressional Record paper and 24x microfiche will be furnished by mail to subscribers, free of postage, at the following prices: paper edition, $150.00 for six months, $295.00 per year, or purchased for $2.50 per issue, payable in advance; microfiche edition, $141.00 per year, or purchased for $1.50 per issue payable in advance. The semimonthly Congressional Record Index may be purchased for the same per issue prices. Remit check or money order, made payable to the Superintendent of Documents, directly to the Government Printing Office, Washington, D.C. 20402. ¶Following each session of Congress, the daily Congressional Record is revised, printed, permanently bound and sold by the Superintendent of Documents in individual parts or by sets. ¶With the exception of copyrighted articles, there are no restrictions on the republication of material from the Congressional Record.